

Senate File 2315 - Introduced

SENATE FILE 2315
BY COMMITTEE ON HUMAN
RESOURCES

(SUCCESSOR TO SSB 3152)

A BILL FOR

1 An Act relating to redesign of publicly funded mental
2 health and disability services by requiring certain core
3 services and addressing other services and providing for
4 establishment of regions and including effective date and
5 applicability provisions.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

CORE SERVICES

Section 1. Section 225C.2, Code 2011, is amended by adding the following new subsections:

NEW SUBSECTION. 7A. "*Mental health and disability services region*" means a mental health and disability services region formed in accordance with section 331.438B.

NEW SUBSECTION. 7B. "*Mental health and disability services regional service system*" means the mental health and disability service system for a mental health and disability services region.

NEW SUBSECTION. 9. "*Regional administrator*" means the same as defined in section 331.438A.

Sec. 2. Section 225C.4, subsection 1, paragraphs a, b, c, f, h, j, q, and s, Code 2011, are amended to read as follows:

a. Prepare and administer the comprehensive mental health and disability services plan as provided in section 225C.6B, including state mental health and mental retardation plans for the provision of disability services within the state and the state developmental disabilities plan. The administrator shall consult with the Iowa department of public health, the state board of regents or a body designated by the board for that purpose, the department of management or a body designated by the director of the department for that purpose, the department of education, the department of workforce development and any other appropriate governmental body, in order to facilitate coordination of disability services provided in this state. The state mental health and mental retardation plans shall be consistent with the state health plan, and shall incorporate ~~county disability services~~ mental health and disability services regional service system management plans.

b. ~~Assist county boards of supervisors and mental health and developmental disabilities regional planning councils~~ mental health and disability services region governing boards and regional administrators in planning for community-based

1 disability services.

2 *c.* Emphasize the provision of evidence-based outpatient
3 and community support services by community mental health
4 centers and local mental retardation providers as a preferable
5 alternative to inpatient hospital services.

6 *f.* ~~Promote coordination~~ Coordinate of community-based
7 services with those of the state mental health institutes and
8 state resource centers.

9 *h.* Administer and distribute state appropriations to
10 the mental health and ~~developmental disabilities community~~
11 disability regional services fund established by section ~~225C.7~~
12 225C.7A.

13 *j.* Establish and maintain a data collection and management
14 information system oriented to the needs of patients,
15 providers, the department, and other programs or facilities.
16 The system shall be used to identify, collect, and analyze
17 service outcome data in order to assess the effects of
18 the services on the persons utilizing the services. The
19 administrator shall annually submit to the commission
20 information collected by the department indicating the
21 changes and trends in the disability services system. The
22 administrator shall make the outcome data available to the
23 public.

24 *g.* In cooperation with the department of inspections and
25 appeals, recommend minimum standards under section 227.4 for
26 the care of and services to persons with mental illness ~~and or~~
27 mental retardation residing in county care facilities. The
28 administrator shall also cooperate with the department of
29 inspections and appeals in recommending minimum standards for
30 care of and services provided to persons with mental illness
31 or an intellectual disability living in a residential care
32 facility regulated under chapter 135C.

33 *s.* Provide technical assistance concerning disability
34 services and funding to ~~counties and mental health and~~
35 ~~developmental disabilities regional planning councils~~ mental

1 health and disability services region governing boards and
2 regional administrators.

3 Sec. 3. Section 225C.4, subsection 1, Code 2011, is amended
4 by adding the following new paragraphs:

5 NEW PARAGRAPH. u. Enter into performance-based contracts
6 with regional administrators pursuant to section 331.440B.

7 NEW PARAGRAPH. v. Provide information through the internet
8 concerning waiting lists for services implemented by mental
9 health and disability services regions.

10 Sec. 4. Section 225C.6, subsection 1, paragraph b, Code
11 Supplement 2011, is amended to read as follows:

12 b. Adopt Pursuant to recommendations made for this purpose
13 by the administrator, adopt necessary rules pursuant to
14 chapter 17A which relate to disability programs and services,
15 including but not limited to definitions of each disability
16 included within the term "*disability services*" as necessary for
17 purposes of state, county, and regional planning, programs, and
18 services.

19 Sec. 5. Section 225C.6, subsection 1, paragraph 1, Code
20 Supplement 2011, is amended by striking the paragraph and
21 inserting in lieu thereof the following:

22 1. Pursuant to a recommendation made by the administrator,
23 identify basic financial eligibility standards for the
24 disability services provided by a mental health and disability
25 services region. The initial standards shall be as specified
26 in chapter 331.

27 Sec. 6. Section 225C.6A, Code 2011, is amended to read as
28 follows:

29 **225C.6A Disability services data system redesign.**

30 The ~~commission~~ department shall do the following relating to
31 ~~redesign of the~~ data concerning the disability services system
32 in the state:

33 ~~1. Identify sources of revenue to support statewide~~
34 ~~delivery of core disability services to eligible disability~~
35 ~~populations.~~

1 ~~2. Ensure there is a continuous improvement process for~~
2 ~~development and maintenance of the disability services system~~
3 ~~for adults and children. The process shall include but is not~~
4 ~~limited to data collection and reporting provisions.~~

5 ~~3.~~ a. 1. Plan, collect, and analyze data as necessary to
6 issue cost estimates for serving additional populations and
7 providing core disability services statewide. The department
8 shall maintain compliance with applicable federal and state
9 privacy laws to ensure the confidentiality and integrity of
10 individually identifiable disability services data. The
11 department ~~shall regularly~~ may periodically assess the status
12 of the compliance in order to assure that data security is
13 protected.

14 ~~b.~~ 2. In implementing a system under this subsection
15 section for collecting and analyzing state, county, and private
16 contractor data, the department shall establish a client
17 identifier for the individuals receiving services. The client
18 identifier shall be used in lieu of the individual's name or
19 social security number. The client identifier shall consist of
20 the last four digits of an individual's social security number,
21 the first three letters of the individual's last name, the
22 individual's date of birth, and the individual's gender in an
23 order determined by the department.

24 ~~c.~~ 3. Each county regional administrator shall regularly
25 report to the department ~~annually on or before December 1, for~~
26 ~~the preceding fiscal year~~ the following information for each
27 individual served: demographic information, expenditure data,
28 and data concerning the services and other support provided to
29 each individual, as specified ~~in administrative rule adopted~~
30 by the ~~commission~~ department.

31 ~~4. Work with county representatives and other qualified~~
32 ~~persons to develop an implementation plan for replacing the~~
33 ~~county of legal settlement approach to determining service~~
34 ~~system funding responsibilities with an approach based upon~~
35 ~~residency. The plan shall address a statewide standard for~~

1 ~~proof of residency, outline a plan for establishing a data~~
2 ~~system for identifying residency of eligible individuals,~~
3 ~~address residency issues for individuals who began residing in~~
4 ~~a county due to a court order or criminal sentence or to obtain~~
5 ~~services in that county, recommend an approach for contesting~~
6 ~~a residency determination, and address other implementation~~
7 ~~issues.~~

8 Sec. 7. NEW SECTION. **225C.7A Mental health and disability**
9 **regional services fund.**

10 1. A mental health and disability regional services fund
11 is created in the office of the treasurer of state under the
12 authority of the department, which shall consist of the amounts
13 appropriated to the fund by the general assembly for each
14 fiscal year. Before completion of the department's budget
15 estimate as required by section 8.23, the department shall
16 determine and include in the estimate the amount which in order
17 to address allowed growth should be appropriated to the fund
18 for the succeeding fiscal year.

19 2. The department shall allocate the moneys appropriated
20 from the fund to mental health and disability services
21 regions for funding of disability services in accordance with
22 performance-based contracts with the regions and in the manner
23 provided in the appropriations. If the allocation methodology
24 includes a population factor, the definition of "*population*" in
25 section 331.438A shall be applied.

26 Sec. 8. Section 226.10, Code 2011, is amended to read as
27 follows:

28 **226.10 Equal treatment.**

29 The ~~several~~ patients of the state mental health institutes,
30 according to their different conditions of mind and body, and
31 their respective needs, shall be provided for and treated
32 with equal care. The care provided for patients with two
33 or more co-occurring mental health, intellectual disability,
34 brain injury, or substance abuse disorders shall address the
35 co-occurring needs.

1 Sec. 9. Section 331.439, subsection 1, paragraph a, Code
2 Supplement 2011, is amended to read as follows:

3 a. The county accurately reported by December 1 the
4 county's expenditures for mental health, mental retardation,
5 and developmental disabilities services and the information
6 required under section 225C.6A, subsection 3, paragraph "c",
7 for the previous fiscal year in accordance with rules adopted
8 by the state commission. The information reported shall
9 segregate expenditures for administration, purchase of service,
10 and enterprise costs. If the department determines good
11 cause exists, the department may extend a deadline otherwise
12 imposed under this chapter, chapter 225C, or chapter 426B
13 for a county's reporting concerning mental health, mental
14 retardation, or developmental disabilities services or related
15 revenues and expenditures.

16 Sec. 10. Section 331.439, Code Supplement 2011, is amended
17 by adding the following new subsection:

18 NEW SUBSECTION. 9A. a. Commencing during the fiscal
19 year beginning July 1, 2012, the county management plan for
20 mental health services shall provide that an individual's
21 eligibility for individualized services shall be determined by
22 a standardized functional assessment methodology approved for
23 this purpose by the director of human services.

24 b. Commencing during the fiscal year beginning July 1,
25 2012, the county management plan for intellectual disability
26 services shall provide that an individual's eligibility for
27 individualized services shall be determined by a standardized
28 functional assessment methodology approved for this purpose by
29 the director of human services.

30 c. Commencing during the fiscal year beginning July 1, 2012,
31 if a county management plan provides for brain injury services
32 the plan shall provide that an individual's eligibility for
33 individualized services shall be determined by a standardized
34 functional assessment methodology approved for this purpose by
35 the director of human services.

1 Sec. 11. NEW SECTION. **331.439A Regional service system**
2 **management plan.**

3 1. *a.* The mental health and disability services provided
4 by counties operating as a region shall be delivered in
5 accordance with a regional service system management plan
6 approved by the region's governing board and implemented by the
7 regional administrator in accordance with this section. The
8 requirements for a regional service system management plan and
9 plan format shall be specified in rule adopted by the state
10 commission. A regional service system management plan is
11 subject to the approval of the regional governing board and the
12 director of human services pursuant to a recommendation made
13 by the state commission.

14 *b.* A regional service system management plan shall address
15 a three-year period. The initial plan shall be submitted to
16 the department by April 1, 2014, and by April 1 of every third
17 year thereafter. The initial plan is subject to approval by
18 the director of human services.

19 *c.* Each region shall submit an annual update of the region's
20 management plan to the department of human services each year
21 on or before December 1. The annual update shall include any
22 changes to the elements of the management plan as well as
23 actual numbers of persons served, moneys expended, and outcomes
24 achieved. An annual update is subject to approval by the state
25 commission pursuant to a recommendation by the director of
26 human services.

27 *d.* An amendment to an approved management plan shall
28 be submitted to the department of human services at least
29 forty-five calendar days prior to the amendment implementation.
30 The amendment is subject to approval by the state commission
31 pursuant to a recommendation by the director of human services.

32 2. The provisions of a regional service system management
33 plan shall include but are not limited to all of the following:

34 Measures to address the needs of individuals who have two
35 or more co-occurring mental health, intellectual disability,

1 brain injury, or substance-related disorders and individuals
2 with specialized needs. Implementation of measures to meet the
3 needs of individuals with brain injury or substance-related
4 disorders is contingent upon identification of a funding source
5 to meet those needs and implementation of provisions to engage
6 the entity under contract with the state to provide services to
7 address substance-related disorders within the regional service
8 system.

9 3. The region may either directly implement a system
10 of service management and contract with service providers,
11 or contract with a private entity to manage the regional
12 service system, provided all requirements of this section
13 are met by the private entity. The regional service system
14 shall incorporate service management and clinical assessment
15 processes developed in accordance with applicable requirements.

16 4. The regional service system management plan for a region
17 shall include but is not limited to all of the following
18 elements, which shall be specified in administrative rules
19 adopted by the state commission:

20 *a.* A description of the region's policies and procedures for
21 financing the services included in the plan. The description
22 shall also address how county, regional, state, and other
23 funding sources will be used to meet the service needs within
24 the region.

25 *b.* The enrollment and eligibility process.

26 *c.* The scope of services included in addition to the core
27 services required by this part of this chapter. Each service
28 included shall be described and projections of need and the
29 funding necessary to meet the need shall be included.

30 *d.* The method of plan administration.

31 *e.* The process for managing utilization and access to
32 services and other assistance. The process shall also describe
33 how coordination between the services included in the plan and
34 the disability services administered by the state and others
35 will be managed.

- 1 *f.* The quality management and improvement processes.
- 2 *g.* The risk management provisions and fiscal viability of
3 the plan, if the region contracts with a private entity.
- 4 *h.* The access points for services.
- 5 *i.* The requirements for designation of targeted case
6 management providers and for implementation of evidence-based
7 models of case management for persons with chronic mental
8 illness. The requirements shall be designed to provide the
9 individual receiving the case management with a choice of
10 providers, allow a service provider to be the case manager but
11 prohibit the provider from referring an individual receiving
12 the case management only to services administered by the
13 provider, and include other provisions to ensure compliance
14 with but not exceed federal requirements for conflict-free case
15 management.
- 16 *j.* A plan for a systems of care approach in which multiple
17 public and private agencies partner with families and
18 communities to address the multiple needs of the individuals
19 and their families involved with the regional service system.
- 20 *k.* A plan to assure effective crisis prevention, response,
21 and resolution.
- 22 *l.* A plan for provider network formation and management.
- 23 *m.* A plan for provider reimbursement approaches that
24 includes approaches in addition to fee-for-service and to
25 compensate the providers engaged in a systems of care approach
26 and other nontraditional providers. A region shall be
27 encouraged to use, and the department shall approve, blended
28 funding approaches or coordinated funding approaches known as
29 braided funding, which incorporate all services and funding
30 streams used by persons receiving services, including medical
31 assistance program funding.
- 32 *n.* If the region applies any provider licensing,
33 certification, or accreditation requirements in addition to
34 those required by the state, the procedures for implementing
35 the requirements.

1 *o.* Service provider payment provisions.

2 *p.* Financial forecasting measures.

3 *q.* A process for resolving grievances.

4 *r.* Measures for implementing interagency and multisystem
5 collaboration and care coordination.

6 5. A region may provide assistance to service populations
7 with disabilities to which the counties comprising the region
8 have historically provided assistance but who are not included
9 in the service management provisions required under subsection
10 2, subject to the availability of funding.

11 6. If a region determines that the region cannot provide
12 services for the fiscal year in accordance with the regional
13 plan and remain in compliance with applicable budgeting
14 requirements, the region may implement a waiting list for
15 the services. The procedures for establishing and applying
16 a waiting list shall be specified in the regional plan. If
17 a region implements a waiting list for services, the region
18 shall notify the department of human services. The department
19 shall maintain on the department's internet site an up-to-date
20 listing of the regions that have implemented a waiting list and
21 the services affected by each waiting list.

22 7. The director's approval of a regional plan shall not be
23 construed to constitute certification of the respective county
24 budgets or of the region's budget.

25 Sec. 12. NEW SECTION. 331.439B Financial eligibility
26 requirements.

27 A person must comply with all of the following financial
28 eligibility requirements to be eligible for services under the
29 regional service system:

30 1. The person must have an income equal to or less than
31 one hundred fifty percent of the federal poverty level, as
32 defined by the most recently revised poverty income guidelines
33 published by the United States department of health and
34 human services, to be eligible for disability services
35 public funding. It is the intent of the general assembly to

1 consider increasing this income eligibility provision to two
2 hundred percent of the federal poverty level, contingent upon
3 implementation of the federal Patient Protection and Affordable
4 Care Act beginning in January 2014.

5 2. a. A region or a service provider contracting with the
6 region shall not apply a copayment, sliding fee scale, or other
7 cost sharing requirement for a particular service to a person
8 with an income equal to or less than one hundred fifty percent
9 of the federal poverty level.

10 b. A person with an income above one hundred fifty
11 percent of the federal poverty level may be eligible for
12 services subject to a copayment, sliding fee scale, or other
13 cost-sharing requirement approved by the department.

14 c. A provider under the regional service system of a service
15 that is not funded by the medical assistance program under
16 chapter 249A may waive the copayment or other cost-sharing
17 arrangement if the provider is fully able to absorb the cost.

18 3. A person who is eligible for federally funded services
19 and other support must apply for such services and support.
20 However, if a person is requesting services or other support
21 that is expected to be needed for less than two years in
22 duration, the person shall be exempt from this requirement.

23 4. The person is in compliance with resource limitations
24 identified in rule adopted by the state commission. The
25 limitation shall be derived from the federal supplemental
26 security income program resource limitations. A person with
27 resources above the federal supplemental security income
28 program resource limitations may be eligible subject to
29 limitations adopted in rule by the state commission. If a
30 person does not qualify for federally funded services and other
31 support but meets income, resource, and functional eligibility
32 requirements for regional services, the following types of
33 resources shall be disregarded:

34 a. A retirement account that is in the accumulation stage.

35 b. A burial, medical savings, or assistive technology

1 account.

2 Sec. 13. NEW SECTION. 331.439C Diagnosis — functional
3 assessment.

4 1. A person must comply with all of the following
5 requirements to be eligible for mental health services under
6 the regional service system:

7 a. The person complies with financial eligibility
8 requirements under section 331.439B.

9 b. The person is at least eighteen years of age and is a
10 resident of this state. However, a person who is seventeen
11 years of age, is a resident of this state, and is receiving
12 publicly funded children's services may be considered eligible
13 for services through the regional service system during the
14 three-month period preceding the person's eighteenth birthday
15 in order to provide a smooth transition from children's to
16 adult services.

17 c. The person has had at any time during the preceding
18 twelve-month period a diagnosable mental health, behavioral, or
19 emotional disorder. The diagnosis shall be made in accordance
20 with the criteria provided in the diagnostic and statistical
21 manual of mental disorders, fourth edition text revised,
22 published by the American psychiatric association, and shall
23 not include the manual's "V" codes identifying conditions other
24 than a disease or injury. The diagnosis shall also not include
25 substance-related disorders, dementia, antisocial personality,
26 or developmental disabilities, unless co-occurring with another
27 diagnosable mental illness.

28 d. The person's eligibility for individualized services
29 shall be determined in accordance with the standardized
30 functional assessment methodology approved for mental health
31 services by the director of human services.

32 2. A person must comply with all of the following
33 requirements to be eligible for intellectual disability or
34 other developmental disability services under the regional
35 service system:

1 *a.* The person complies with financial eligibility
2 requirements under section 331.439B.

3 *b.* The person is at least eighteen years of age and is a
4 resident of this state. However, a person who is seventeen
5 years of age, is a resident of this state, and is receiving
6 publicly funded children's services may be considered eligible
7 for services through the regional service system during the
8 three-month period preceding the person's eighteenth birthday
9 in order to provide a smooth transition from children's to
10 adult services.

11 *c.* The person has a diagnosis of intellectual disability or
12 a diagnosis of developmental disability other than intellectual
13 disability.

14 *d.* The person's eligibility for individualized services
15 shall be determined in accordance with the standardized
16 functional assessment methodology approved for intellectual
17 disability and developmental disability services by the
18 director of human services.

19 3. A person must comply with all of the following
20 requirements to be eligible for brain injury services under the
21 regional service system:

22 *a.* The person complies with financial eligibility
23 requirements under section 331.439B.

24 *b.* The person is at least eighteen years of age and is a
25 resident of this state. However, a person who is seventeen
26 years of age, is a resident of this state, and is receiving
27 publicly funded children's services may be considered eligible
28 for services through the regional service system during the
29 three-month period preceding the person's eighteenth birthday
30 in order to provide a smooth transition from children's to
31 adult services.

32 *c.* The person has a diagnosis of brain injury.

33 *d.* The person's eligibility for individualized services
34 shall be determined in accordance with a standardized
35 functional assessment methodology approved for this purpose by

1 the director of human services.

2 Sec. 14. NEW SECTION. 331.439D **Regional core services.**

3 1. For the purposes of this section, unless the context
4 otherwise requires:

5 *a. "Crisis stabilization facility"* means an institution,
6 place, building, or agency with restricted means of egress
7 designed to provide accommodation, board, and the services
8 of a mental health professional on a short-term basis of no
9 more than five days to three or more individuals who present
10 in the facility with acute psychiatric needs. The goal of a
11 crisis stabilization facility is to decrease the severity of an
12 individual's condition to allow transition of the individual
13 to a less restrictive facility.

14 *b. "Domain"* means a set of similar, discrete services that
15 can be provided depending upon an individual's service needs.

16 2. *a.* A region shall ensure that services within the
17 core service domains listed in subsection 3 are available for
18 eligible persons who are not enrolled in the medical assistance
19 program under chapter 249A or receiving other third-party
20 payment for the services. Until funding is designated for
21 other service populations, eligibility for the service domains
22 listed in this section shall be limited to such persons who are
23 in need of mental health or intellectual disability services.
24 However, if a county in a region was providing services to a
25 person with brain injury prior to formation of the region, the
26 person shall remain eligible for the services provided when the
27 region is formed.

28 *b.* It is the intent of the general assembly to address
29 the need for funding so that the availability of the service
30 domains listed in this section may be expanded to include such
31 persons who are in need of developmental disability or brain
32 injury services.

33 3. Pursuant to recommendations made by the director of human
34 services, the state commission shall adopt rules as required by
35 section 225C.6 to define the services included in the initial

1 and additional core service domains listed in this section.
2 The rules shall provide consistency, to the extent possible,
3 with similar service definitions under the medical assistance
4 program.

5 4. The initial core service domains shall include the
6 following:

7 a. Treatment designed to ameliorate a person's condition,
8 including but not limited to all of the following:

- 9 (1) Assessment and evaluation.
- 10 (2) Mental health outpatient therapy.
- 11 (3) Medication prescribing and management.
- 12 (4) Mental health inpatient treatment.

13 b. Basic crisis response provisions, including but not
14 limited to all of the following:

- 15 (1) Twenty-four-hour access to crisis response.
- 16 (2) Evaluation.
- 17 (3) Personal emergency response system.

18 c. Support for community living, including but not limited
19 to all of the following:

- 20 (1) Home health aide.
- 21 (2) Home and vehicle modifications.
- 22 (3) Respite.
- 23 (4) Supportive community living.

24 d. Support for employment, including but not limited to all
25 of the following:

- 26 (1) Day habilitation.
- 27 (2) Job development.
- 28 (3) Supported employment.
- 29 (4) Prevocational services.

30 e. Recovery services, including but not limited to all of
31 the following:

- 32 (1) Family support.
- 33 (2) Peer support.

34 f. Service coordination including coordinating physical
35 health and primary care, including but not limited to all of

1 the following:

2 (1) Case management.

3 (2) Health homes.

4 5. A region shall ensure that providers of core services
5 demonstrate competencies necessary for all of the following:

6 a. Serving persons with co-occurring conditions.

7 b. Providing evidence-based services.

8 c. Providing trauma-informed care that recognizes the
9 presence of trauma symptoms in persons receiving services.

10 6. A region shall ensure that services within the following
11 additional core service domains are available to persons not
12 eligible for the medical assistance program under chapter 249A
13 or receiving other third-party payment for the services, when
14 public funds are made available for such services:

15 a. Comprehensive crisis services, including but not limited
16 to all of the following:

17 (1) Twenty-four-hour crisis hotline.

18 (2) Mobile response.

19 (3) Twenty-three-hour crisis observation and holding, and
20 crisis stabilization facility services.

21 (4) Crisis residential services.

22 b. Subacute services.

23 c. Justice system-involved services, including but not
24 limited to all of the following:

25 (1) Jail diversion.

26 (2) Crisis intervention training.

27 (3) Civil commitment prescreening.

28 d. Advances in the use of evidence-based treatment,
29 including but not limited to all of the following:

30 (1) Positive behavior support.

31 (2) Assertive community treatment.

32 (3) Peer support services.

33 7. A regional service system may provide funding for other
34 appropriate services or other support. In considering whether
35 to provide such funding, a region may consider the following

1 criteria:

2 *a.* Applying a person-centered planning process to identify
3 the need for the services or other support.

4 *b.* The efficacy of the services or other support is
5 substantiated by an evidence base.

6 *c.* A determination that the services or other support
7 provides an effective alternative to existing services that
8 have been shown by the evidence base to be ineffective, to not
9 yield the desired outcome, or to not support the principles
10 outlined in *Olmstead v. L.C.*, 527 U.S. 581 (1999).

11 Sec. 15. NEW SECTION. 331.440B **Regional service system**
12 **financing.**

13 1. *a.* The financing of a regional mental health and
14 disability service system is limited to a fixed budget amount.
15 The fixed budget amount shall be the amount identified in
16 a regional service system management plan and budget for
17 the fiscal year. A region shall receive state funding for
18 growth in non-Medicaid expenditures through the mental health
19 and disability regional services fund created in section
20 225C.7A to address increased service costs, additional service
21 populations, additional core service domains, and increased
22 numbers of persons receiving services.

23 *b.* The state commission shall recommend a non-Medicaid
24 expenditures growth funding amount to the department, the
25 council on human services, and the governor annually by July
26 15 for the fiscal year which commences two years from the
27 beginning date of the fiscal year in progress at the time
28 the recommendation is made. The director of human service
29 shall consider the state commission's recommendation in the
30 director's budget recommendations to the council on human
31 services and the council shall consider the recommendation in
32 approving the department's budget submitted to the governor in
33 accordance with section 217.3. The governor shall consider the
34 state commission's recommendation in developing the governor's
35 recommendation for a non-Medicaid expenditures growth funding

1 amount for such fiscal year. The governor's recommendation
2 shall be submitted at the time the governor's proposed budget
3 for the succeeding fiscal year is submitted in accordance with
4 chapter 8.

5 2. A region shall implement its regional service system
6 management plan in a manner so as to provide adequate funding
7 of services for the entire fiscal year by budgeting for
8 ninety-nine percent of the funding anticipated to be available
9 for the regional plan for the fiscal year. A region may expend
10 all of the funding anticipated to be available for the regional
11 plan.

12 Sec. 16. IMPLEMENTATION OF ACT. Section 25B.2, subsection
13 3, shall not apply to this division of this Act.

14 Sec. 17. CODE EDITOR. The Code editor may codify the
15 provisions of this division of this Act and any other
16 provisions of this Act involving chapter 331 as one or more new
17 parts of chapter 331, division III.

18 Sec. 18. APPLICABILITY. The provisions of this division of
19 this Act enacting new Code sections 331.439A through 331.439E,
20 and section 331.440B apply beginning on July 1, 2013.

21 DIVISION II

22 WORKFORCE DEVELOPMENT AND REGULATION

23 Sec. 19. NEW SECTION. **225C.6C Mental health and disability**
24 **services workforce development workgroup.**

25 1. The department of human services shall convene and
26 provide support to a mental health and disability services
27 workforce development workgroup to address issues connected
28 with assuring that an adequate workforce is available in the
29 state to provide mental health and disability services. The
30 workgroup shall report at least annually to the governor
31 and general assembly providing findings, recommendations,
32 and financing information concerning the findings and
33 recommendations.

34 2. The membership of the workgroup shall include all of the
35 following:

- 1 *a.* The director of the department of aging or the director's
- 2 designee.
- 3 *b.* The director of the department of corrections or the
- 4 director's designee.
- 5 *c.* The director of the department of education or the
- 6 director's designee.
- 7 *d.* The director of human services or the director's
- 8 designee.
- 9 *e.* The director of the department of public health or the
- 10 director's designee.
- 11 *f.* The director of the department of workforce development
- 12 or the director's designee.
- 13 *g.* At least three staff of regional administrators
- 14 appointed by the community services affiliate of the Iowa state
- 15 association of counties.
- 16 *h.* At least three individuals receiving mental health and
- 17 disability services or involved relatives of such individuals.
- 18 *i.* At least three providers of mental health and disability
- 19 services.
- 20 *j.* A representative of the entity under contract with
- 21 the department to provide mental health managed care for the
- 22 medical assistance program.
- 23 *k.* One or more representatives of the institutions under
- 24 the control of the state board of regents who are knowledgeable
- 25 concerning the mental health and disability services workforce.
- 26 *l.* A provider representative of the Iowa collaborative
- 27 safety net provider network established pursuant to section
- 28 135.153.
- 29 *m.* Other persons identified by the workgroup.
- 30 3. In addition to the members identified in subsection
- 31 2, the membership of the workgroup shall include four
- 32 members of the general assembly serving in a nonvoting, ex
- 33 officio capacity. One member shall be designated by each
- 34 of the following: the majority leader of the senate, the
- 35 minority leader of the senate, the speaker of the house of

1 representatives, and the minority leader of the house of
2 representatives. A legislative member serves for a term as
3 provided in section 69.16B.

4 4. Except as provided in subsection 3 for legislative
5 appointments, the workgroup shall determine its own rules of
6 procedure, membership terms, and operating provisions.

7 5. The workforce development measures considered for
8 recommendation by the workgroup shall include but are not
9 limited to all of the following:

10 a. Provide for the college of direct support or comparable
11 internet-based training to be available at no charge to all
12 service providers.

13 b. Require every direct support professional to demonstrate
14 a level of competency in core curricula.

15 c. Provide financial incentives for those providers who
16 support direct care staff in securing a voluntary certification
17 from the national alliance for direct support professionals or
18 a comparable certification or accreditation body.

19 d. Change the rate reimbursement methodologies to allow
20 providers to bill direct care staff development costs as a
21 direct expense rather than as an indirect cost.

22 e. Implement regional service system staffing capability
23 to provide positive behavior supports training and to
24 mount a crisis intervention and prevention response that is
25 evidence-based and utilizes best practices.

26 f. Make technical assistance available to service providers
27 for issues such as crisis intervention, sheltered workshop
28 conversion, and other approaches to modernize services.

29 g. Implement co-occurring disability cross training
30 for mental health professionals as well as training for
31 primary care practitioners on substance-related disorders,
32 mental health, and intellectual disability and developmental
33 disability behavioral issues.

34 h. Study the issues surrounding the shortage of mental
35 health professionals in the state and make recommendations for

1 addressing the issues.

2 Sec. 20. NEW SECTION. **225C.6D Regional service system —**
3 **outcomes and performance measures committee.**

4 1. The department shall establish an outcomes and
5 performance measures committee to recommend to the department
6 and the commission's specific outcomes and performance measures
7 to be utilized by the regional mental health and disability
8 services system. The membership of the committee shall include
9 regional administrator and departmental staff, individuals
10 receiving mental health and disability services or involved
11 relatives of such individuals, providers of mental health and
12 disability services, a representative of the entity under
13 contract with the department to provide mental health managed
14 care for the medical assistance program, a representative
15 of the institutions under the control of the state board of
16 regents who is knowledgeable concerning mental health and
17 disability services, a representative of the department's task
18 force to address the decision in *Olmstead v. L.C.*, 527 U.S. 581
19 (1999), a provider representative of the Iowa collaborative
20 safety net provider network established pursuant to section
21 135.153, and other stakeholders.

22 2. The committee's recommendations shall incorporate the
23 outcome measurement methodologies previously developed by the
24 mental health and disability services commission. To the
25 extent possible, the committee shall seek to provide outcome
26 and performance measures recommendations that are consistent
27 across the mental health and disability services populations
28 addressed. The committee shall also evaluate data collection
29 requirements utilized in the mental health and disability
30 regional service system to identify the requirements that
31 could be eliminated or revised due to the administrative
32 burden involved or the low degree of relevance to outcomes or
33 other reporting requirements. The committee recommendations
34 shall be submitted to the governor, general assembly, and
35 policymaking bodies. The mental health and disability services

1 commission and other policymaking bodies shall consider the
2 recommendations in eliminating or otherwise revising data
3 collection requirements.

4 Sec. 21. NEW SECTION. **225C.6E Regional service system —**
5 **regulatory requirements.**

6 1. The departments of inspections and appeals, human
7 services, and public health shall comply with the requirements
8 of this section in their efforts to improve the regulatory
9 requirements applied to the mental health and disability
10 regional service system administration and service providers.

11 2. The three departments shall work together to establish
12 a process to streamline accreditation, certification, and
13 licensing standards applied to the regional service system
14 administration and service providers.

15 3. The departments of human services and inspections and
16 appeals shall jointly review the standards and inspection
17 process applicable to residential care facilities.

18 4. The three departments shall do all of the following in
19 developing regulatory requirements applicable to the regional
20 service system administration and service providers:

21 a. Consider the costs to administrators and providers in the
22 development of quality monitoring efforts.

23 b. Expand the use of uniform, streamlined, and statewide
24 cost reporting standards and tools.

25 c. Make quality monitoring information, including services,
26 quality, and location information, easily available and
27 understandable to all citizens.

28 d. Establish standards that are clearly understood and are
29 accompanied by interpretive guidelines to support understanding
30 by those responsible for applying the standards.

31 e. Develop a partnership with providers in order to
32 improve the quality of services and develop mechanisms for the
33 provision of technical assistance.

34 f. Develop consistent data collection efforts based on
35 statewide standards and make information available to all

1 providers.

2 *g.* Evaluate existing provider qualification and monitoring
3 efforts to identify duplication and gaps, and align the efforts
4 with valued outcomes.

5 *h.* Streamline and enhance existing standards.

6 *i.* Consider allowing providers to seek accreditation from
7 a national accrediting body in lieu of state accreditation or
8 certification.

9

DIVISION III

10

COMMUNITY MENTAL HEALTH CENTER AMENDMENTS

11 Sec. 22. Section 230A.110, subsection 1, as enacted by
12 2011 Iowa Acts, chapter 121, section 20, is amended to read as
13 follows:

14 1. The division shall recommend and the commission shall
15 adopt standards for designated community mental health
16 centers and comprehensive community mental health programs,
17 with the overall objective of ensuring that each center
18 and each affiliate providing services under contract with a
19 center furnishes high-quality mental health services within
20 a framework of accountability to the community it serves.
21 The standards adopted shall conform with federal standards
22 applicable to community mental health centers and shall be
23 in substantial conformity with the applicable behavioral
24 health standards adopted by the joint commission, formerly
25 known as the joint commission on accreditation of health care
26 organizations, ~~and~~ or other recognized national standards for
27 evaluation of psychiatric facilities unless in the judgment of
28 the division, with approval of the commission, there are sound
29 reasons for departing from the standards.

30

DIVISION IV

31

REGIONAL SERVICE SYSTEM

32 Sec. 23. Section 97B.1A, subsection 9, Code Supplement
33 2011, is amended to read as follows:

34 9. "*Employer*" means the state of Iowa, the counties,
35 municipalities, agencies, public school districts, all

1 political subdivisions, and all of their departments and
2 instrumentalities, including area agencies on aging, other than
3 those employing persons as specified in subsection 8, paragraph
4 "b", subparagraph (7), regional administrators formed by a
5 chapter 28E agreement as authorized in section 331.438C, and
6 joint planning commissions created under chapter 28E or 28I.

7 If an interstate agency is established under chapter 28E
8 and similar enabling legislation in an adjoining state, and an
9 employer had made contributions to the retirement system for
10 employees performing functions which are transferred to the
11 interstate agency, the employees of the interstate agency who
12 perform those functions shall be considered to be employees
13 of the employer for the sole purpose of membership in the
14 retirement system, although the employer contributions for
15 those employees are made by the interstate agency.

16 Sec. 24. NEW SECTION. 331.438A **Definitions.**

17 As used in this part, unless the context otherwise requires:

18 1. "*Department*" means the department of human services.

19 2. "*Disability services*" means the same as defined in
20 section 225C.2.

21 3. "*Population*" means the population shown by the latest
22 preceding certified federal census or the latest applicable
23 population estimate issued by the United States census bureau,
24 whichever is most recent.

25 4. "*Regional administrator*" means the administrative office,
26 organization, or entity formed by agreement of the counties
27 participating in a region to function on behalf of those
28 counties in accordance with this part.

29 5. "*State commission*" means the mental health and disability
30 services commission created in section 225C.5.

31 Sec. 25. NEW SECTION. 331.438B **Mental health and disability**
32 **services regions — criteria.**

33 1. Local access to mental health and disability services
34 for adults shall be provided by counties organized in a
35 regional service system. The regional service system shall be

1 implemented in stages in accordance with this section.

2 2. The director of human services shall approve any region
3 meeting the requirements of subsection 3. However, the
4 director of human services, with the approval of the state
5 commission, may grant a waiver from the requirement relating
6 to the minimum number of counties or the requirement providing
7 population parameters if there is convincing evidence that
8 compliance with such requirement is not workable.

9 3. Each county in the state shall participate in an approved
10 mental health and disability services region. A mental health
11 and disability services region shall comply with all of the
12 following requirements:

13 a. The counties comprising the region are contiguous.

14 b. The region has at least three counties.

15 c. The combined general population of the counties
16 comprising a region shall be at least two hundred thousand
17 persons and not more than seven hundred thousand persons.

18 d. The region has the capacity to provide required core
19 services and perform required functions.

20 e. At least one community mental health center or a
21 federally qualified health center with providers qualified
22 to provide psychiatric services, either directly or with
23 assistance from psychiatric consultants, is located within the
24 region, has the capacity to provide outpatient services for the
25 region, and is either under contract with the region or has
26 provided documentation of intent to contract with the region
27 to provide the services.

28 f. A hospital with an inpatient psychiatric unit or a state
29 mental health institute is located in or within reasonably
30 close proximity to the region, has the capability to provide
31 inpatient services for the region, and is either under contract
32 with the region or has provided documentation of intent to
33 contract with the region to provide the services.

34 g. The regional administrator structure proposed for or
35 utilized by the region has clear lines of accountability and

1 the regional administrator functions as a lead agency utilizing
2 shared county staff or other means of limiting administrative
3 costs.

4 4. County formation of a mental health and disability
5 services region is subject to all of the following:

6 a. On or before November 1, 2012, counties voluntarily
7 participating in a region have complied with all of the
8 following formation criteria:

9 (1) The counties forming the region have been identified
10 and the board of supervisors of the counties have approved a
11 written letter of intent to join together to form the region.

12 (2) The proposed region complies with the requirements in
13 subsection 3.

14 (3) The department provides written notice to the boards
15 of supervisors of the counties identified for the region in
16 the letter of intent that the counties have complied with the
17 requirements in subsection 3.

18 b. Upon compliance with the provisions of paragraph "a", the
19 participating counties are eligible for technical assistance
20 provided by the department.

21 c. During the period of November 2, 2012, through January 1,
22 2013, the department shall work with any county that has not
23 agreed to voluntarily be part of a region in accordance with
24 paragraph "a" and with the counties adjoining the county to
25 resolve issues preventing the county from joining a region. By
26 January 1, 2013, a county that has not agreed to be part of a
27 region in accordance with paragraph "a" shall be assigned by the
28 department to a region.

29 d. On or before June 30, 2013, all counties shall be part of
30 a region that is in compliance with the provisions of paragraph
31 "a" other than meeting the November 1, 2012, date.

32 e. On or before June 30, 2014, all counties shall be
33 in compliance with all of the following mental health and
34 disability services region implementation criteria:

35 (1) The board of supervisors of each county participating in

1 the region has voted to approve a chapter 28E agreement.

2 (2) The duly authorized representatives of all the counties
3 participating in the region have signed the chapter 28E
4 agreement that is in compliance with section 331.438C.

5 (3) The county board of supervisors' or supervisors'
6 designee members and other members of the region's governing
7 board have been appointed in accordance with section 331.438C.

8 (4) Executive staff for the region's regional administrator
9 have been identified or engaged.

10 (5) An initial draft of a regional service management
11 transition plan has been developed which identifies the steps
12 to be taken by the region to do all of the following:

13 (a) Designate access points for the disability services
14 administered by the region.

15 (b) Designate the region's targeted case manager providers
16 funded by the medical assistance program.

17 (c) Identify the service provider network for the region.

18 (d) Define the service access and service authorization
19 process to be utilized for the region.

20 (e) Identify the information technology and data management
21 capacity to be employed to support regional functions.

22 (f) Establish business functions, funds accounting
23 procedures, and other administrative processes.

24 (g) Comply with data reporting and other information
25 technology requirements identified by the department.

26 (6) The department has approved the region's chapter 28E
27 agreement and the initial draft of the regional management
28 transition plan.

29 f. If the department, with the concurrence of the state
30 commission, determines that a region is in substantial
31 compliance with the implementation criteria in paragraph "e"
32 and has sufficient operating capacity to begin operations, the
33 region may commence partial or full operations prior to July
34 2014.

35 Sec. 26. NEW SECTION. 331.438C Regional governance

1 **structure.**

2 1. The counties comprising a mental health and disability
3 services region shall enter into an agreement under chapter
4 28E to form a regional administrator under the control of a
5 governing board to function on behalf of those counties.

6 2. The governing board shall comply with all of the
7 following requirements:

8 a. The voting membership of the governing board shall
9 consist of one board of supervisors member from each county
10 comprising the region or their designees. On governing board
11 decisions involving finances, collective bargaining, and other
12 finance-related matters identified by these members, any of
13 these members may request a weighted vote. In a weighted vote,
14 each of the counties comprising the region is assigned a number
15 of votes equal to its population within the region and approval
16 of the decision requires at least three-fourths of the total
17 votes cast. The population figures in the federal census or
18 the latest applicable estimate issued by the United States
19 bureau of the census, whichever is more recent, shall be used
20 for purposes of determining population.

21 b. The membership of the governing board shall also consist
22 of not more than three individuals who utilize mental health
23 and disability services or actively involved relatives of such
24 individuals. These members shall be designated by the advisory
25 committee or committees formed by the governing board pursuant
26 to this section, in a manner so as to represent the geographic
27 areas of the region and to provide balanced representation for
28 the various disability groups utilizing the services provided
29 through the region. The members designated in accordance with
30 this paragraph shall serve in a nonvoting, ex officio capacity.

31 c. The membership of the governing board shall not include
32 employees of the department of human services.

33 d. The membership of the governing board shall also
34 consist of not more than three members representing service
35 providers in the region. These members shall be designated by

1 the advisory committee or committees formed by the governing
2 board pursuant to this section in a manner to represent the
3 various types of service providers. The members designated in
4 accordance with this paragraph shall serve in a nonvoting, ex
5 officio capacity.

6 e. The governing board shall have a regional advisory
7 committee consisting of individuals who utilize services or
8 actively involved relatives of such individuals, service
9 providers, and regional governing board members.

10 3. The regional administrator shall be under the control of
11 the governing board. The regional administrator shall enter
12 into performance-based contracts with the department for the
13 regional administrator to manage, on behalf of the counties
14 comprising the region, the mental health and disability
15 services that are not funded by the medical assistance program
16 under chapter 249A and for coordinating with the department the
17 provision of mental health and disability services that are
18 funded under the medical assistance program.

19 Sec. 27. NEW SECTION. 331.438D **Regional finances.**

20 1. The funding under the control of the governing board
21 shall be maintained in a combined account, in separate county
22 accounts that are under the control of the governing board, or
23 pursuant to other arrangements authorized by law that limit the
24 administrative burden of such control while facilitating public
25 scrutiny of financial processes.

26 2. The administrative costs of the regional administrator
27 shall be limited to the percentage of expenditures for
28 administrative costs allowed for the entity under contract
29 with the department of human services to provide mental
30 health managed care for the medical assistance program.
31 This limitation shall be subject to regular review by the
32 department. The department may submit recommendations to the
33 governor and general assembly for appropriate changes to the
34 limitation.

35 3. The funding provided pursuant to appropriations from the

1 mental health and disability regional services fund created in
2 section 225C.7A and from performance-based contracts with the
3 department shall be credited to the account or accounts under
4 the control of the governing board.

5 Sec. 28. NEW SECTION. 331.438E **Regional governance**
6 **agreements.**

7 1. In addition to compliance with the applicable provisions
8 of chapter 28E, the chapter 28E agreement entered into by the
9 counties comprising a mental health and disability services
10 region in forming the regional administrator to function on
11 behalf of the counties shall comply with the requirements of
12 this section.

13 2. The organizational provisions of the agreement shall
14 include all of the following:

15 *a.* A statement of purpose, goals, and objectives of entering
16 into the agreement.

17 *b.* Identification of the governing board membership and the
18 terms, methods of appointment, voting procedures, and other
19 provisions applicable to the operation of the governing board.

20 *c.* The identification of the executive staff of the regional
21 administrator serving as the single point of accountability for
22 the region.

23 *d.* The counties participating in the agreement.

24 *e.* The time period of the agreement and terms for
25 termination or renewal of the agreement.

26 *f.* The circumstances under which additional counties may
27 join the region.

28 *g.* Methods for dispute resolution and mediation.

29 *h.* Methods for termination of a county's participation in
30 the region.

31 *i.* Provisions for formation and assigned responsibilities
32 for one or more advisory committees consisting of individuals
33 who utilize services or actively involved relatives of such
34 individuals, service providers, governing board members, and
35 other interests identified in the agreement.

1 3. The administrative provisions of the agreement shall
2 include all of the following:

3 *a.* Responsibility of the governing board in appointing and
4 evaluating the performance of the chief executive officer of
5 the regional administrator.

6 *b.* A specific list of the functions and responsibilities of
7 the regional administrator's chief executive officer and other
8 administrative staff.

9 *c.* Specification of the functions to be carried out by each
10 party to the agreement and by any subcontractor of a party to
11 the agreement. A contract with a provider network shall be
12 separately addressed.

13 4. The financial provisions of the agreement shall include
14 all of the following:

15 *a.* Methods for pooling, management, and expenditure of the
16 funding under the control of the regional administrator. If
17 the agreement does not provide for pooling of the participating
18 county moneys in a single fund, the agreement shall specify how
19 the participating county moneys will be subject to the control
20 of the regional administrator.

21 *b.* Methods for allocating administrative funding and
22 resources.

23 *c.* Contributions and uses of initial funding or related
24 contributions made by the counties participating in the
25 region for purposes of commencing operations by the regional
26 administrator.

27 *d.* Methods for acquiring or disposing of real property.

28 *e.* A process for determining the use of savings for
29 reinvestment.

30 *f.* A process for performance of an annual independent audit
31 of the regional administrator.

32 5. If implementation of a region's regional administrator
33 results in a change in the employer of county employees
34 assigned to the central point of coordination administrator
35 under section 331.440, Code Supplement 2011, and the employees

1 were covered under a collective bargaining agreement, such
2 employees shall be retained and the agreement shall be
3 continued by the successor employer as though there had not
4 been a change in employer.

5 Sec. 29. NEW SECTION. 331.438F **County of residence —**
6 **services to residents — service authorization appeals —**
7 **disputes between counties or regions and the department.**

8 1. For the purposes of this section, unless the context
9 otherwise requires:

10 *a. "County of residence"* means the county in this state in
11 which, at the time a person applies for or receives services,
12 the person is living in the county and has established an
13 ongoing presence with the declared, good faith intention of
14 living in the county for a permanent or indefinite period of
15 time. The county of residence of a person who is a homeless
16 person is the county where the homeless person usually
17 sleeps. A person maintains residency in the county in which
18 the person last resided while a person is present in another
19 county receiving services in a hospital, a correctional
20 facility, a halfway house for community-based corrections
21 or substance-related treatment, a nursing facility, an
22 intermediate care facility for persons with an intellectual
23 disability, or a residential care facility, or for the purpose
24 of attending a college or university.

25 *b. "Homeless person"* means the same as defined in section
26 48A.2.

27 *c. "Person"* means a person who is a United States citizen or
28 a qualified alien as defined in 8 U.S.C. § 1641.

29 2. If a person appeals a service authorization or
30 other services-related determination made by a regional
31 administrator, the appeal shall be heard in a contested
32 case proceeding by a state administrative law judge. The
33 administrative law judge's decision shall be considered a final
34 agency decision under chapter 17A.

35 3. If a county of residence is part of a mental health and

1 disability services region that has agreed to pool funding and
2 liability for services, the responsibilities of the county
3 under law regarding such services shall be performed on behalf
4 of the county by the regional administrator. The county of
5 residence or the county's mental health and disability services
6 region, as applicable, is responsible for paying the public
7 costs of the mental health and disability services that are
8 not covered by the medical assistance program under chapter
9 249A and are provided in accordance with the region's approved
10 service management plan to persons who are residents of the
11 county or region.

12 4. a. The dispute resolution process implemented in
13 accordance with this subsection applies to residency disputes.
14 The dispute resolution process is not applicable to disputes
15 involving persons committed to a state facility pursuant to
16 chapter 812 or rule of criminal procedure 2.22, Iowa court
17 rules, or to disputes involving service authorization decisions
18 made by a region.

19 b. If a county, region, or the department, as applicable,
20 receives a billing for services provided to a resident
21 in another county or region, or objects to a residency
22 determination certified by the department or another county's
23 or region's regional administrator and asserts either that the
24 person has residency in another county or region or the person
25 is not a resident of this state or the person's residency
26 is unknown so that the person is deemed a state case, the
27 person's residency status shall be determined as provided in
28 this section. The county or region shall notify the department
29 of the county's or region's assertion within one hundred
30 twenty days of receiving the billing. If the county or region
31 asserts that the person has residency in another county or
32 region, that county or region shall be notified at the same
33 time as the department. If the department disputes a residency
34 determination certification made by a regional administrator,
35 the department shall notify the affected counties or regions

1 of the department's assertion.

2 *c.* The department, county, or region that received the
3 notification, as applicable, shall respond to the party that
4 provided the notification within forty-five days of receiving
5 the notification. If the parties cannot agree to a settlement
6 as to the person's residency status within ninety days of the
7 date of notification, on motion of any of the parties, the
8 matter shall be referred to the department of inspections and
9 appeals for a contested case hearing under chapter 17A before
10 an administrative law judge assigned in accordance with section
11 10A.801 to determine the person's residency status.

12 *d.* (1) The administrative law judge's determination
13 of the person's residency status is a final agency action,
14 notwithstanding contrary provisions of section 17A.15.
15 The party that does not prevail in the determination or
16 subsequent judicial review is liable for costs associated with
17 the proceeding, including reimbursement of the department
18 of inspections and appeals' actual costs associated with
19 the administrative proceeding. Judicial review of the
20 determination may be sought in accordance with section 17A.19.

21 (2) If following the determination of a person's residency
22 status in accordance with this section, additional evidence
23 becomes available that merits a change in that determination,
24 the parties affected may change the determination by mutual
25 agreement. Otherwise, a party may move that the matter be
26 reconsidered by the department, county, or region, or by the
27 administrative law judge.

28 *e.* (1) Unless a petition is filed for judicial review,
29 the administrative law judge's determination of the person's
30 residency status shall result in one of the following:

31 (a) If a county or region is determined to be the person's
32 residence, the county or region shall pay the amounts due and
33 shall reimburse any other amounts paid for services provided by
34 the other county or region or the department on the person's
35 behalf prior to the determination.

1 (b) If it is determined that the person is not a resident
2 of this state or the person's residency is unknown so that the
3 person is deemed to be a state case, the department shall pay
4 the amounts due and shall reimburse the county or region, as
5 applicable, for any payment made on behalf of the person prior
6 to the determination.

7 (2) The payment or reimbursement shall be remitted within
8 forty-five days of the date the decision was issued. After
9 the forty-five-day period, a penalty of not greater than one
10 percent per month may be added to the amount due.

11 Sec. 30. CODE EDITOR. The Code editor may codify the
12 provisions of this division of this Act and any other
13 provisions of this Act involving chapter 331 as one or more new
14 parts of chapter 331, division III.

15 Sec. 31. APPLICABILITY. The provisions of this division
16 of this Act enacting new sections in chapter 331, except
17 as specifically provided by the provisions, are applicable
18 beginning July 1, 2013.

19 DIVISION V

20 SUBACUTE CARE FACILITIES FOR PERSONS WITH SERIOUS AND
21 PERSISTENT MENTAL ILLNESS

22 Sec. 32. NEW SECTION. 135P.1 Definitions.

23 As used in this chapter, unless the context otherwise
24 requires:

25 1. "*Advanced registered nurse practitioner*" means a person
26 currently licensed as a registered nurse under chapter 152 or
27 152E who is registered with the board of nursing as an advanced
28 registered nurse practitioner.

29 2. "*Department*" means the department of inspections and
30 appeals.

31 3. "*Direction*" means authoritative policy or procedural
32 guidance for the accomplishment of a function or an activity.

33 4. "*Licensee*" means the holder of a license issued to
34 operate a subacute care facility for persons with serious and
35 persistent mental illness.

- 1 5. *"Mental health professional"* means the same as defined
2 in section 228.1.
- 3 6. *"Physician"* means a person licensed under chapter 148.
- 4 7. *"Physician assistant"* means a person licensed to practice
5 under the supervision of a physician as authorized in chapters
6 147 and 148C.
- 7 8. *"Psychiatric services"* means services provided under
8 the direction of a physician which address mental, emotional,
9 medical, or behavioral problems. *"Psychiatric services"* also
10 includes such services provided by a physician assistant or an
11 advanced registered nurse practitioner.
- 12 9. *"Rehabilitative services"* means services to encourage and
13 assist restoration of a resident's optimum mental and physical
14 capabilities.
- 15 10. *"Resident"* means a person who is eighteen years of age
16 or older and has been admitted by a physician to a subacute
17 care facility for persons with serious and persistent mental
18 illness.
- 19 11. *"Subacute care facility for persons with serious and
20 persistent mental illness"* or *"subacute care facility"* means an
21 institution, place, building, or agency with restricted means
22 of egress designed to provide accommodation, board, and the
23 services of a licensed psychiatrist for a period exceeding
24 twenty-four consecutive hours to three or more individuals who
25 primarily have serious and persistent mental illness, diagnosis
26 of a co-occurring disorder, and are not related to the owner
27 within the third degree of consanguinity.
- 28 12. *"Supervision"* means direct oversight and inspection of
29 the act of accomplishing a function or activity.
- 30 13. *"Treatment care plan"* means a plan of care and services
31 designed to eliminate the need for acute care by improving
32 the condition of a person with serious and persistent mental
33 illness. Services must be based upon a diagnostic evaluation,
34 which includes an examination of the medical, psychological,
35 social, behavioral, and developmental aspects of the person's

1 situation, reflecting the need for inpatient care.

2 Sec. 33. NEW SECTION. 135P.2 Purpose.

3 The purpose of this chapter is to provide for the
4 development, establishment, and enforcement of basic standards
5 for the operation, construction, and maintenance of a
6 subacute care facility which will ensure the safe and adequate
7 diagnosis, evaluation, and treatment of the residents.

8 Sec. 34. NEW SECTION. 135P.3 Nature of care — seclusion
9 room — admissions.

10 1. A subacute care facility shall utilize a team of
11 professionals to direct an organized program of diagnostic
12 services, psychiatric services, and rehabilitative services
13 to meet the needs of residents in accordance with a treatment
14 care plan developed for each resident under the supervision of
15 a licensed psychiatrist. The goal of a treatment care plan
16 is to transition residents to a less restrictive environment,
17 including a home-based community setting. Social and
18 rehabilitative services shall be provided under the direction
19 of a mental health professional.

20 2. The licensed psychiatrist providing supervision of
21 the subacute care facility shall evaluate the condition of
22 each resident no less than two times each month and shall be
23 available to residents of the facility on an on-call basis
24 at all other times. Additional evaluation and treatment may
25 be provided by or the licensed psychiatrist may delegate
26 evaluation and treatment responsibilities to a physician
27 assistant or advanced registered nurse practitioner. The
28 subacute care facility may employ a seclusion room meeting the
29 conditions described in 42 C.F.R. § 483.364(b) with approval of
30 the licensed psychiatrist of the facility or by order of the
31 resident's physician, a physician assistant, or an advanced
32 registered nurse practitioner.

33 3. An admission to the subacute care facility is subject
34 to a physician's written order certifying that the individual
35 being admitted requires regular oversight by a licensed

1 psychiatrist and requires no greater degree of care than that
2 which the facility to which the admission is made is licensed
3 to provide and is capable of providing.

4 4. A subacute care facility does not constitute an
5 "*institution for mental diseases*" within the meaning of 42
6 U.S.C. § 1396d(i).

7 Sec. 35. NEW SECTION. 135P.4 **Licensure.**

8 1. A person shall not establish, operate, or maintain a
9 subacute care facility unless the person obtains a license for
10 the subacute care facility under this chapter.

11 2. An intermediate care facility for persons with mental
12 illness licensed under chapter 135C may convert to a subacute
13 care facility by providing written notice to the department
14 that the facility has employed a full-time psychiatrist and
15 desires to make the conversion.

16 Sec. 36. NEW SECTION. 135P.5 **Application for license.**

17 An application for a license under this chapter shall be
18 submitted on a form requesting information required by the
19 department, which may include affirmative evidence of the
20 applicant's ability to comply with the rules for standards
21 adopted pursuant to this chapter. An application for a license
22 shall be accompanied by the required license fee which shall
23 be credited to the general fund of the state. The initial and
24 annual license fee is twenty-five dollars.

25 Sec. 37. NEW SECTION. 135P.6 **Inspection — conditions for**
26 **issuance.**

27 The department shall issue a license to an applicant under
28 this chapter if the department has ascertained that the
29 applicant's facilities and staff are adequate to provide the
30 care and services required of a subacute care facility and if
31 the applicant has been awarded a certificate of need pursuant
32 to chapter 135.

33 Sec. 38. NEW SECTION. 135P.7 **Denial, suspension, or**
34 **revocation of license.**

35 The department may deny an application or suspend or revoke

1 a license if the department finds that an applicant or licensee
2 has failed or is unable to comply with this chapter or the
3 rules establishing minimum standards pursuant to this chapter
4 or if any of the following conditions apply:

5 1. It is shown that a resident is a victim of cruelty or
6 neglect due to the acts or omissions of the licensee.

7 2. The licensee has permitted, aided, or abetted in the
8 commission of an illegal act in the subacute care facility.

9 3. An applicant or licensee acted to obtain or to retain a
10 license by fraudulent means, misrepresentation, or submitting
11 false information.

12 4. The licensee has willfully failed or neglected to
13 maintain a continuing in-service education and training program
14 for persons employed by the subacute care facility.

15 5. The application involves a person who has failed to
16 operate a subacute care facility in compliance with the
17 provisions of this chapter.

18 Sec. 39. NEW SECTION. 135P.8 **Provisional license.**

19 The department may issue a provisional license, effective
20 for not more than one year, to a licensee whose subacute care
21 facility does not meet the requirements of this chapter if,
22 prior to issuance of the license, the applicant submits written
23 plans to achieve compliance with the applicable requirements
24 and the plans are approved by the department. The plans shall
25 specify the deadline for achieving compliance.

26 Sec. 40. NEW SECTION. 135P.9 **Notice and hearings.**

27 The procedure governing notice and hearing to deny an
28 application or suspend or revoke a license shall be in
29 accordance with rules adopted by the department pursuant to
30 chapter 17A. A full and complete record shall be kept of the
31 proceedings and of any testimony. The record need not be
32 transcribed unless judicial review is sought. A copy or copies
33 of a transcript may be obtained by an interested party upon
34 payment of the cost of preparing the transcript or copies.

35 Sec. 41. NEW SECTION. 135P.10 **Rules.**

1 The department of inspections and appeals, in consultation
2 with the department of human services and affected professional
3 groups, shall adopt and enforce rules setting out the standards
4 for a subacute care facility and the rights of the residents
5 admitted to a subacute care facility. The department of
6 inspections and appeals and the department of human services
7 shall coordinate the adoption of rules and the enforcement of
8 the rules in order to prevent duplication of effort by the
9 departments and of requirements of the licensee.

10 Sec. 42. NEW SECTION. 135P.11 **Complaints alleging**
11 **violations — confidentiality.**

12 1. A person may request an inspection of a subacute care
13 facility by filing with the department a complaint of an
14 alleged violation of an applicable requirement of this chapter
15 or a rule adopted pursuant to this chapter. The complaint
16 shall state in a reasonably specific manner the basis of the
17 complaint. A statement of the nature of the complaint shall be
18 delivered to the subacute care facility involved at the time of
19 or prior to the inspection. The name of the person who files a
20 complaint with the department shall be kept confidential and
21 shall not be subject to discovery, subpoena, or other means
22 of legal compulsion for its release to a person other than
23 department employees involved in the investigation of the
24 complaint.

25 2. Upon receipt of a complaint made in accordance with
26 subsection 1, the department shall make a preliminary review
27 of the complaint. Unless the department concludes that the
28 complaint is intended to harass a subacute care facility or a
29 licensee or is without reasonable basis, it shall within twenty
30 working days of receipt of the complaint make or cause to be
31 made an on-site inspection of the subacute care facility which
32 is the subject of the complaint. The department of inspections
33 and appeals may refer to the department of human services
34 any complaint received by the department of inspections and
35 appeals if the complaint applies to rules adopted by the

1 department of human services. The complainant shall also
2 be notified of the name, address, and telephone number of
3 the designated protection and advocacy agency if the alleged
4 violation involves a facility with one or more residents with a
5 developmental disability or mental illness. In any case, the
6 complainant shall be promptly informed of the result of any
7 action taken by the department in the matter.

8 3. An inspection made pursuant to a complaint filed under
9 subsection 1 need not be limited to the matter or matters
10 referred to in the complaint; however, the inspection shall
11 not be a general inspection unless the complaint inspection
12 coincides with a scheduled general inspection. Upon arrival
13 at the subacute care facility to be inspected, the inspector
14 shall show identification to the person in charge of the
15 subacute care facility and state that an inspection is to
16 be made, before beginning the inspection. Upon request of
17 either the complainant or the department, the complainant or
18 the complainant's representative or both may be allowed the
19 privilege of accompanying the inspector during any on-site
20 inspection made pursuant to this section. The inspector may
21 cancel the privilege at any time if the inspector determines
22 that the privacy of a resident of the subacute care facility to
23 be inspected would be violated. The dignity of the resident
24 shall be given first priority by the inspector and others.

25 Sec. 43. NEW SECTION. 135P.12 **Information confidential.**

26 1. The department's final findings regarding licensure
27 shall be made available to the public in a readily available
28 form and place. Other information relating to the subacute
29 care facility is confidential and shall not be made available
30 to the public except in proceedings involving licensure, a
31 civil suit involving a resident, or an administrative action
32 involving a resident.

33 2. The name of a person who files a complaint with the
34 department shall remain confidential and is not subject to
35 discovery, subpoena, or any other means of legal compulsion for

1 release to a person other than an employee of the department or
2 an agent involved in the investigation of the complaint.

3 3. Information regarding a resident who has received or is
4 receiving care shall not be disclosed directly or indirectly
5 except as authorized under section 217.30.

6 Sec. 44. NEW SECTION. 135P.13 **Judicial review.**

7 Judicial review of the action of the department may be sought
8 pursuant to the Iowa administrative procedure Act, chapter 17A.
9 Notwithstanding chapter 17A, a petition for judicial review of
10 the department's actions under this chapter may be filed in the
11 district court of the county in which the related subacute care
12 facility is located or is proposed to be located. The status
13 of the petitioner or the licensee shall be preserved pending
14 final disposition of the judicial review.

15 Sec. 45. NEW SECTION. 135P.14 **Penalty.**

16 A person who establishes, operates, or manages a subacute
17 care facility without obtaining a license under this chapter
18 commits a serious misdemeanor. Each day of continuing
19 violation following conviction shall be considered a separate
20 offense.

21 Sec. 46. NEW SECTION. 135P.15 **Injunction.**

22 Notwithstanding the existence or pursuit of another remedy,
23 the department may maintain an action for injunction or other
24 process to restrain or prevent the establishment, operation, or
25 management of a subacute care facility without a license.

26 Sec. 47. Section 225.15, unnumbered paragraph 1, Code 2011,
27 is amended to read as follows:

28 When a respondent arrives at the state psychiatric hospital,
29 the admitting physician shall examine the respondent and
30 determine whether or not, in the physician's judgment, the
31 respondent is a fit subject for observation, treatment, and
32 hospital care. If, upon examination, the physician decides
33 that the respondent should be admitted to the hospital, the
34 respondent shall be provided a proper bed in the hospital,
35 ~~and the.~~ The physician who has charge of the respondent

1 shall proceed with observation, medical treatment, and
 2 hospital care as in the physician's judgment are proper and
 3 necessary, in compliance with sections 229.13 to 229.16.
 4 After the respondent's admission, the physician may delegate
 5 the observation, medical treatment, and hospital care of the
 6 respondent to a physician assistant licensed to practice under
 7 the supervision of a physician as authorized in chapters 147
 8 and 148C or to an advanced registered nurse practitioner
 9 licensed under chapter 152 or 152E and registered with the
 10 board of nursing.

11 Sec. 48. Section 249A.26, subsection 2, Code 2011, is
 12 amended by adding the following new paragraph:

13 NEW PARAGRAPH. *d.* Notwithstanding any provision of
 14 this chapter to the contrary, for services provided to
 15 eligible persons in a subacute care facility for persons
 16 with serious and persistent mental illness licensed under
 17 chapter 135P, the daily rate shall be equal to the sum of
 18 the direct care Medicare-certified hospital-based nursing
 19 facility patient-day-weighted median and the nondirect
 20 care Medicare-certified hospital-based nursing facility
 21 patient-day-weighted median.

22 Sec. 49. STUDY OF SUBACUTE FACILITIES. The department
 23 of human services shall conduct a feasibility study and cost
 24 analysis of providing institutional subacute services utilizing
 25 facilities available at one or more of the state mental health
 26 institutes or the Iowa veterans home, and shall submit a report
 27 of the study containing findings and recommendations to the
 28 governor and general assembly on or before December 1, 2012.

29 Sec. 50. IMPLEMENTATION OF ACT. Section 25B.2, subsection
 30 3, shall not apply to this division of this Act.

31 DIVISION VI

32 BRAIN INJURY DEFINITION — CONFORMING AMENDMENTS — LEGAL
 33 SETTLEMENT AND DISPUTE RESOLUTION PROCESSES

34 Sec. 51. Section 135.22, subsection 1, paragraph a, Code
 35 2011, is amended to read as follows:

1 a. *"Brain injury"* means ~~the occurrence of injury clinically~~
2 evident damage to the head brain resulting directly or
3 indirectly from trauma, infection, anoxia, vascular lesions,
4 or tumor of the brain, not primarily related to a degenerative
5 disease or aging process ~~that is documented in a medical record~~
6 ~~with one or more of the following conditions attributed to the~~
7 ~~head injury:~~

8 ~~(1) An observed or self-reported decreased level of~~
9 ~~consciousness.~~

10 ~~(2) Amnesia.~~

11 ~~(3) A skull fracture.~~

12 ~~(4) An objective neurological or neuropsychological~~
13 ~~abnormality.~~

14 ~~(5) A diagnosed intracranial lesion, which temporarily~~
15 or permanently impairs a person's physical, cognitive,
16 or behavioral functions, and is diagnosed by a physician.
17 Pursuant to recommendations made by the advisory council on
18 brain injuries, the mental health and disability services
19 commission shall adopt rules specifying the diagnoses of
20 clinically evident damage to the brain used for a diagnosis of
21 brain injury.

22 Sec. 52. Section 218.99, Code 2011, is amended to read as
23 follows:

24 **218.99 Counties to be notified of patients' personal**
25 **accounts.**

26 The administrator in control of a state institution shall
27 direct the business manager of each institution under the
28 administrator's jurisdiction which is mentioned in section
29 331.424, subsection 1, paragraph "a", subparagraphs (1)
30 and (2), and for which services are paid under section
31 331.424A, to quarterly inform the county of ~~legal settlement's~~
32 ~~entity designated to perform the county's central point of~~
33 ~~coordination process~~ residence of any patient or resident who
34 has an amount in excess of two hundred dollars on account in
35 the patients' personal deposit fund and the amount on deposit.

1 The administrators shall direct the business manager to further
2 notify the ~~entity designated to perform the county's central~~
3 ~~point of coordination process~~ county of residence at least
4 fifteen days before the release of funds in excess of two
5 hundred dollars or upon the death of the patient or resident.
6 If the patient or resident has no ~~county of legal settlement~~
7 residency in this state or the person's residency is unknown so
8 that the person is deemed to be a state case, notice shall be
9 made to the director of human services and the administrator in
10 control of the institution involved.

11 Sec. 53. Section 222.10, Code 2011, is amended to read as
12 follows:

13 **222.10 Duty of peace officer.**

14 When any person with mental retardation departs without
15 proper authority from an institution in another state and
16 is found in this state, any peace officer in any county in
17 which such patient is found may take and detain the patient
18 without warrant or order and shall report such detention to the
19 administrator. The administrator shall provide for the return
20 of the patient to the authorities in the state from which the
21 unauthorized departure was made. Pending return, such patient
22 may be detained temporarily at one of the institutions of this
23 state governed by the administrator or by the administrator of
24 the division of child and family services of the department
25 of human services. The provisions of this section relating
26 to the administrator shall also apply to the return of other
27 nonresident persons with mental retardation having legal
28 ~~settlement~~ residency outside the state of Iowa.

29 Sec. 54. Section 222.13, subsection 1, Code 2011, is amended
30 to read as follows:

31 1. If an adult person is believed to be a person with
32 mental retardation, the adult person or the adult person's
33 guardian may submit a request through the central point of
34 coordination process for the county board of supervisors of the
35 adult person's county of residence in writing to apply to the

1 superintendent of any state resource center for the voluntary
 2 admission of the adult person either as an inpatient or an
 3 outpatient of the resource center. ~~After determining the legal~~
 4 ~~settlement of the adult person as provided by this chapter,~~
 5 the The board of supervisors shall, on forms prescribed by
 6 the department's administrator, apply to the superintendent
 7 of the resource center in the district for the admission of
 8 the adult person to the resource center. An application for
 9 admission to a special unit of any adult person believed to be
 10 in need of any of the services provided by the special unit
 11 under section 222.88 may be made in the same manner, upon
 12 request of the adult person or the adult person's guardian.
 13 The superintendent shall accept the application ~~providing~~ if
 14 a preadmission diagnostic evaluation, performed through the
 15 central point of coordination process, confirms or establishes
 16 the need for admission, except that an application ~~may~~ shall
 17 not be accepted if the institution does not have adequate
 18 facilities available or if the acceptance will result in an
 19 overcrowded condition.

20 Sec. 55. Section 222.31, subsection 1, paragraph b,
 21 subparagraph (1), Code 2011, is amended to read as follows:

22 (1) Commit the person to the state resource center
 23 designated by the administrator to serve the county in which
 24 the hearing is being held, or to a special unit. The court
 25 shall, prior to issuing an order of commitment, request
 26 that a diagnostic evaluation of the person be made by ~~the~~
 27 ~~superintendent of the resource center or the special unit, or~~
 28 ~~the superintendent's qualified designee~~ a person qualified to
 29 perform the diagnostic evaluation. ~~The evaluation shall be~~
 30 ~~conducted at a place as the superintendent may direct.~~ The
 31 cost of the evaluation shall be defrayed by the committed
 32 person's county of ~~legal settlement~~ residence unless otherwise
 33 ordered by the court. The cost of the evaluation to be
 34 charged may be equal to but shall not exceed the actual cost
 35 of the evaluation. ~~Persons referred by a court to a resource~~

1 ~~center or the special unit for diagnostic evaluation shall be~~
2 ~~considered as outpatients of the institution. No order of~~
3 ~~commitment shall be issued unless the superintendent of the~~
4 ~~institution recommends that the order be issued, and advises~~
5 ~~the court that adequate facilities for the care of the person~~
6 ~~are available.~~

7 Sec. 56. Section 222.49, Code 2011, is amended to read as
8 follows:

9 **222.49 Costs paid.**

10 The costs of proceedings shall be ~~defrayed from the county~~
11 ~~treasury paid by the county or the state, as determined in~~
12 accordance with section 222.60, unless otherwise ordered by
13 the court. When the person alleged to be mentally retarded
14 is found not to be mentally retarded, the court shall render
15 judgment for such costs against the person filing the petition
16 except when the petition is filed by order of court.

17 Sec. 57. Section 222.50, Code 2011, is amended to read as
18 follows:

19 **222.50 County of legal settlement residence or state to pay.**

20 When the proceedings are instituted in a county in which
21 the person who is alleged to have mental retardation was found
22 but which is not the county of legal settlement residence of
23 the person, and the costs are not taxed to the petitioner, the
24 person's county which is the legal settlement of the person
25 of residence or the state, as determined in accordance with
26 section 222.60, shall, on presentation of a properly itemized
27 bill for such costs, repay the costs to the former county.
28 ~~When the person's legal settlement is outside the state or is~~
29 ~~unknown, the costs shall be paid out of money in the state~~
30 ~~treasury not otherwise appropriated, itemized on vouchers~~
31 ~~executed by the auditor of the county which paid the costs, and~~
32 ~~approved by the administrator.~~

33 Sec. 58. Section 222.60, subsection 1, Code 2011, is amended
34 to read as follows:

35 1. All necessary and legal expenses for the cost of

1 admission or commitment or for the treatment, training,
2 instruction, care, habilitation, support and transportation
3 of persons with mental retardation, as provided for in the
4 county management plan provisions implemented pursuant to
5 section 331.439, subsection 1, in a state resource center, or
6 in a special unit, or any public or private facility within or
7 without the state, approved by the director ~~of the department~~
8 of human services, shall be paid by either:

9 a. The person's county in which such person has legal
10 settlement as defined in section 252.16 of residence.

11 b. The state when ~~such the person has no legal settlement~~
12 ~~or when such settlement is unknown~~ is a resident in another
13 state or in a foreign country or the residence is unknown. The
14 payment responsibility shall be deemed to be a state case.

15 Sec. 59. Section 222.60, subsection 2, Code 2011, is amended
16 to read as follows:

17 2. a. Prior to a county of ~~legal settlement~~ residence
18 approving the payment of expenses for a person under this
19 section, the county may require that the person be diagnosed
20 to determine if the person has mental retardation or that
21 the person be evaluated to determine the appropriate level
22 of services required to meet the person's needs relating to
23 mental retardation. The diagnosis and the evaluation may be
24 performed concurrently and shall be performed by an individual
25 or individuals approved by the county who are qualified
26 to perform the diagnosis or the evaluation. Following the
27 initial approval for payment of expenses, the county ~~of legal~~
28 ~~settlement~~ may require that an evaluation be performed at
29 reasonable time periods.

30 b. The cost of a county-required diagnosis and an evaluation
31 is at the county's expense. ~~In the~~ For a state case of a person
32 ~~without legal settlement or whose legal settlement is unknown,~~
33 the state may apply the diagnosis and evaluation provisions of
34 this subsection at the state's expense.

35 c. A diagnosis or an evaluation under this section may be

1 part of a county's central point of coordination process under
2 section 331.440, provided that a diagnosis is performed only by
3 an individual qualified as provided in this section.

4 Sec. 60. Section 222.61, Code 2011, is amended to read as
5 follows:

6 **222.61 ~~Legal settlement~~ Residency determined.**

7 When a county receives an application on behalf of any person
8 for admission to a resource center or a special unit or when
9 a court issues an order committing any person to a resource
10 center or a special unit, the board of supervisors shall
11 ~~utilize~~ refer the determination of residency to the central
12 point of coordination process to determine and certify that
13 the ~~legal settlement~~ residence of the person is in one of the
14 following:

- 15 1. In the county in which the application is received or in
16 which the court is located.
- 17 2. In some other county of the state.
- 18 3. In another state or in a foreign country.
- 19 4. Unknown.

20 Sec. 61. Section 222.62, Code 2011, is amended to read as
21 follows:

22 **222.62 ~~Settlement~~ Residency in another county.**

23 When the board of supervisors determines through the
24 central point of coordination process that the ~~legal settlement~~
25 residency of the person is other than in the county in which
26 the application is received, the determination shall be
27 certified to the superintendent of the resource center or the
28 special unit where the person is a patient. The certification
29 shall be accompanied by a copy of the evidence supporting the
30 determination. The superintendent shall charge the expenses
31 already incurred and unadjusted, and all future expenses of
32 the patient, to the county certified to be the county of ~~legal~~
33 ~~settlement~~ residency.

34 Sec. 62. Section 222.63, Code 2011, is amended to read as
35 follows:

1 **222.63 Finding of ~~settlement~~ residency — objection.**

2 A board of supervisors' certification utilizing the central
 3 point of coordination process that a person's ~~legal settlement~~
 4 residency is in another county shall be sent ~~by the board of~~
 5 ~~supervisors~~ to the auditor of the county of ~~legal settlement~~
 6 residence. The certification shall be accompanied by a copy
 7 of the evidence supporting the determination. The auditor
 8 of the county of ~~legal settlement~~ residence shall submit the
 9 certification to the board of supervisors of the auditor's
 10 county and it shall be conclusively presumed that the patient
 11 has a ~~legal settlement~~ residency in that county unless that
 12 county disputes the determination of ~~legal settlement~~ residency
 13 as provided in section 225C.8.

14 Sec. 63. Section 222.64, Code 2011, is amended to read as
 15 follows:

16 **222.64 Foreign state or country or unknown ~~legal settlement~~**
 17 **residency.**

18 If the ~~legal settlement~~ residency of the person is
 19 determined by ~~the board of supervisors through the central~~
 20 ~~point of coordination process~~ a county or the state to be in
 21 a foreign state or country or is determined to be unknown,
 22 the ~~board of supervisors~~ county or the state shall certify
 23 the determination to the administrator. The certification
 24 shall be accompanied by a copy of the evidence supporting the
 25 determination. The care of the person shall be as arranged
 26 by the ~~board of supervisors~~ county or the state or by an
 27 order as the court may enter. Application for admission or
 28 order of commitment may be made pending investigation by the
 29 administrator.

30 Sec. 64. Section 222.65, Code 2011, is amended to read as
 31 follows:

32 **222.65 Investigation.**

33 If an application is made for placement of a person in
 34 a state resource center or special unit, the department's
 35 administrator shall immediately investigate the ~~legal~~

1 ~~settlement~~ residency of the person and proceed as follows:

- 2 1. If the administrator concurs with a certified
3 determination as to ~~legal-settlement~~ residency of the person
4 so that the person is deemed a state case under section
5 222.60, the administrator shall cause the person either to be
6 transferred to a resource center or a special unit or to be
7 transferred to the place of foreign ~~settlement~~ residency.
8 2. If the administrator disputes a certified determination
9 of ~~legal-settlement~~ residency, the administrator shall order
10 the person transferred to a state resource center or a special
11 unit until the dispute is resolved.
12 3. If the administrator disputes a certified determination
13 of ~~legal-settlement~~ residency, the administrator shall utilize
14 the procedure provided in section 225C.8 to resolve the
15 dispute. A determination of the person's ~~legal-settlement~~
16 residency status made pursuant to section 225C.8 is conclusive.

17 Sec. 65. Section 222.66, Code 2011, is amended to read as
18 follows:

19 **222.66 Transfers — state cases — expenses.**

20 1. The transfer to a resource center or a special unit or
21 to the place of ~~legal-settlement~~ residency of a person with
22 mental retardation who has no ~~legal-settlement~~ residence in
23 this state or whose ~~legal-settlement~~ residency is unknown,
24 shall be made in accordance with such directions as shall
25 be prescribed by the administrator and when practicable by
26 employees of the state resource center or the special unit.
27 The actual and necessary expenses of such transfers shall be
28 paid by the department on itemized vouchers sworn to by the
29 claimants and approved by the administrator and the approved
30 amount is appropriated to the department from any funds in the
31 state treasury not otherwise appropriated.

32 2. The case of a person with an intellectual disability
33 who is determined to have no residence in this state or whose
34 residence is unknown shall be considered a state case.

35 Sec. 66. Section 222.67, Code 2011, is amended to read as

1 follows:

2 **222.67 Charge on finding of settlement residency.**

3 If a person has been received into a resource center or a
4 special unit as a patient whose ~~legal settlement is supposedly~~
5 ~~outside the state or~~ residency is unknown and the administrator
6 determines that the ~~legal settlement~~ residency of the patient
7 was at the time of admission or commitment in a county of this
8 state, the administrator shall certify the determination and
9 charge all legal costs and expenses pertaining to the admission
10 or commitment and support of the patient to the county of ~~legal~~
11 ~~settlement~~ residence. The certification shall be sent to
12 the county of ~~legal settlement~~ residence. The certification
13 shall be accompanied by a copy of the evidence supporting the
14 determination. If the person's ~~legal settlement~~ residency
15 status has been determined in accordance with section 225C.8,
16 the legal costs and expenses shall be charged to the county or
17 as a state case in accordance with that determination. The
18 costs and expenses shall be collected as provided by law in
19 other cases.

20 Sec. 67. Section 222.68, Code 2011, is amended to read as
21 follows:

22 **222.68 Costs paid in first instance.**

23 All necessary and legal expenses for the cost of admission
24 or commitment of a person to a resource center or a special
25 unit when the person's ~~legal settlement~~ residency is found to
26 be in another county of this state shall in the first instance
27 be paid by the county from which the person was admitted or
28 committed. The county of ~~legal settlement~~ residence shall
29 reimburse the county which pays for all such expenses. ~~Where~~
30 ~~any~~ If a county fails to make such reimbursement within
31 forty-five days following submission of a properly itemized
32 bill to the county of ~~legal settlement~~ residence, a penalty of
33 not greater than one percent per month on and after forty-five
34 days from submission of the bill may be added to the amount
35 due.

1 Sec. 68. Section 222.69, Code 2011, is amended to read as
2 follows:

3 **222.69 Payment by state.**

4 ~~All~~ The amount necessary to pay the necessary and legal
5 ~~expenses for the cost of admission or commitment of a person~~
6 ~~to a resource center or a special unit when the person's legal~~
7 ~~settlement residence is outside this state or is unknown shall~~
8 ~~be paid out of~~ is appropriated to the department from any
9 money in the state treasury not otherwise appropriated. Such
10 payments shall be made by the department on itemized vouchers
11 executed by the auditor of the county from which the expenses
12 have been paid and approved by the administrator.

13 Sec. 69. Section 222.70, Code 2011, is amended to read as
14 follows:

15 **222.70 ~~Legal settlement~~ Residency disputes.**

16 If a dispute arises between counties or between the
17 department and a county as to the ~~legal settlement~~ residency
18 of a person admitted or committed to a resource center, a
19 special unit, or a community-based service, the dispute shall
20 be resolved as provided in section 225C.8.

21 Sec. 70. Section 222.73, subsection 2, paragraph a,
22 unnumbered paragraph 1, Code 2011, is amended to read as
23 follows:

24 The superintendent shall certify to the department the
25 billings to each county for services provided to patients
26 chargeable to the county during the preceding calendar quarter.
27 The county billings shall be based on the average daily patient
28 charge and outpatient treatment charges computed pursuant to
29 subsection 1, and the number of inpatient days and outpatient
30 treatment service units chargeable to the county. The billings
31 to a county of ~~legal settlement~~ residence are subject to
32 adjustment for all of the following circumstances:

33 Sec. 71. Section 222.77, Code 2011, is amended to read as
34 follows:

35 **222.77 Patients on leave.**

1 The cost of support of patients placed on convalescent leave
 2 or removed as a habilitation measure from a resource center,
 3 or a special unit, except when living in the home of a person
 4 legally bound for the support of the patient, shall be paid
 5 by the county of ~~legal settlement~~ residence or the state as
 6 provided in section 222.60. ~~If the patient has no county of~~
 7 ~~legal settlement, the cost shall be paid from the support fund~~
 8 ~~of the resource center or special unit and charged on abstract~~
 9 ~~in the same manner as other state inpatients until the patient~~
 10 ~~becomes self-supporting or qualifies for support under other~~
 11 ~~statutes.~~

12 Sec. 72. Section 222.78, Code 2011, is amended to read as
 13 follows:

14 **222.78 Parents and others liable for support.**

15 1. The father and mother of any patient admitted or
 16 committed to a resource center or to a special unit, as
 17 either an inpatient or an outpatient, and any person, firm, or
 18 corporation bound by contract made for support of the patient
 19 are liable for the support of the patient. The patient and
 20 those legally bound for the support of the patient shall be
 21 liable to the county or state, as applicable, for all sums
 22 ~~advanced by the county to the state under~~ in accordance with
 23 the provisions of sections 222.60 and 222.77.

24 2. The liability of any person, other than the patient,
 25 who is legally bound for the support of a patient who is under
 26 eighteen years of age in a resource center or a special unit
 27 shall not exceed the average minimum cost of the care of a
 28 normally intelligent minor without a disability of the same
 29 age and sex as the minor patient. The administrator shall
 30 establish the scale for this purpose but the scale shall not
 31 exceed the standards for personal allowances established by
 32 the state division under the family investment program. The
 33 father or mother shall incur liability only during any period
 34 when the father or mother either individually or jointly
 35 receive a net income from whatever source, commensurate with

1 that upon which they would be liable to make an income tax
2 payment to this state. The father or mother of a patient shall
3 not be liable for the support of the patient upon the patient
4 attaining eighteen years of age. Nothing in this section
5 shall be construed to prevent a relative or other person
6 from voluntarily paying the full actual cost as established
7 by the administrator for caring for the patient with mental
8 retardation.

9 Sec. 73. Section 222.79, Code 2011, is amended to read as
10 follows:

11 **222.79 Certification statement presumed correct.**

12 In actions to enforce the liability imposed by section
13 ~~222.78, the certification statement sent from the~~
14 ~~superintendent to the county auditor pursuant to section~~
15 222.74 or the county of residence, as applicable, shall submit
16 a certification statement stating the sums charged ~~in such~~
17 ~~eases and the certification statement~~ shall be considered
18 presumptively correct.

19 Sec. 74. Section 222.80, Code 2011, is amended to read as
20 follows:

21 **222.80 Liability to county or state.**

22 A person admitted or committed to a county institution or
23 home or admitted or committed at county or state expense to a
24 private hospital, sanitarium, or other facility for treatment,
25 training, instruction, care, habilitation, and support as a
26 patient with mental retardation shall be liable to the county
27 or state, as applicable, for the reasonable cost of the support
28 as provided in section 222.78.

29 Sec. 75. Section 222.82, Code 2011, is amended to read as
30 follows:

31 **222.82 Collection of liabilities and claims.**

32 ~~The~~ If liabilities and claims exist as provided in section
33 222.78 or other provision of this chapter, the county of
34 residence or the state, as applicable, may proceed as provided
35 in this section. If the liabilities and claims are owed to

1 a county of residence, the county's board of supervisors of
 2 ~~each county~~ may direct the county attorney to proceed with the
 3 collection of ~~said the~~ liabilities and claims as a part of
 4 the duties of the county attorney's office when the board of
 5 supervisors deems such action advisable. If the liabilities
 6 and claims are owed to the state, the state shall proceed
 7 with the collection. The board of supervisors or the state,
 8 as applicable, may ~~and is hereby empowered to~~ compromise any
 9 and all liabilities to the county or state arising under this
 10 chapter when such compromise is deemed to be in the best
 11 interests of the county or state. Any collections and liens
 12 shall be limited in conformance to section 614.1, subsection 4.

13 Sec. 76. Section 222.86, Code 2011, is amended to read as
 14 follows:

15 **222.86 Payment for care from fund.**

16 If a patient is not receiving medical assistance under
 17 chapter 249A and the amount in the account of any patient
 18 in the patients' personal deposit fund exceeds two hundred
 19 dollars, the business manager of the resource center or special
 20 unit may apply any amount of the excess to reimburse the county
 21 of ~~legal settlement or the state in a case where no legal~~
 22 ~~settlement exists~~ residence or the state for liability incurred
 23 by the county or the state for the payment of care, support,
 24 and maintenance of the patient, when billed by the county ~~of~~
 25 ~~legal settlement or by the administrator for a patient having~~
 26 ~~no legal settlement~~ or state, as applicable.

27 Sec. 77. Section 222.92, subsection 3, paragraph a, Code
 28 2011, is amended to read as follows:

29 a. Moneys received by the state from billings to counties
 30 ~~under section 222.73.~~

31 Sec. 78. Section 225.23, Code 2011, is amended to read as
 32 follows:

33 **225.23 Collection for treatment.**

34 If the bills for a committed or voluntary private patient are
 35 paid by the state, the state psychiatric hospital shall file a

1 certified copy of the claim for the bills with the ~~auditor of~~
 2 ~~the patient's county of residence~~ department of administrative
 3 services. The ~~county of residence~~ department shall proceed to
 4 collect the claim in the name of the state psychiatric hospital
 5 and, ~~when collected, pay the amount collected to the director~~
 6 ~~of the department of administrative services~~. The hospital
 7 shall also, at the same time, forward a duplicate of the claim
 8 to the director of the department of administrative services.

9 Sec. 79. Section 225C.6A, subsection 4, Code 2011, is
 10 amended by striking the subsection.

11 Sec. 80. Section 225C.8, Code 2011, is amended to read as
 12 follows:

13 **225C.8 ~~Legal settlement~~ Residency dispute resolution.**

14 1. a. The dispute resolution process implemented in
 15 accordance with this section applies to ~~legal settlement~~
 16 residency disputes and is not applicable to disputes involving
 17 persons committed to a state facility pursuant to chapter 812
 18 or rule of criminal procedure 2.22, Iowa court rules, or to
 19 disputes of service authorization decisions made through the
 20 county central point of coordination process.

21 b. If a county receives a billing for services provided to
 22 a person under chapter 222, 230, or 249A, or objects to a ~~legal~~
 23 ~~settlement~~ residency determination certified by the department
 24 or another county and asserts either that the person has ~~legal~~
 25 ~~settlement~~ residency in another county or that the person has
 26 no ~~legal settlement~~ residency or the ~~legal settlement~~ person's
 27 residency is unknown so that the person is deemed to be a
 28 state case, the person's ~~legal settlement~~ residency status
 29 shall be determined as provided in this section. The county
 30 shall notify the department of the county's assertion within
 31 one hundred twenty days of receiving the billing. If the
 32 county asserts that the person has ~~legal settlement~~ residency
 33 in another county, that county shall be notified at the same
 34 time as the department. If the department disputes a ~~legal~~
 35 ~~settlement~~ residency determination certification made by a

1 county, the department shall notify the affected counties of
2 the department's assertion.

3 2. The department or the county that received the
4 notification, as applicable, shall respond to the party that
5 provided the notification within forty-five days of receiving
6 the notification. If the parties cannot agree to a ~~settlement~~
7 resolution as to the person's ~~legal-settlement~~ residency status
8 within ninety days of the date of notification, on motion
9 of any of the parties, the matter shall be referred to the
10 department of inspections and appeals for a contested case
11 hearing under chapter 17A before an administrative law judge
12 assigned in accordance with section 10A.801 to determine the
13 person's ~~legal-settlement~~ residency status.

14 3. a. The administrative law judge's determination of
15 the person's ~~legal-settlement~~ residency status is a final
16 agency action, notwithstanding contrary provisions of section
17 17A.15. The party that does not prevail in the determination
18 or subsequent judicial review is liable for costs associated
19 with the proceeding, including reimbursement of the department
20 of inspections and appeals' actual costs associated with
21 the administrative proceeding. Judicial review of the
22 determination may be sought in accordance with section 17A.19.

23 b. If following the determination of a person's ~~legal~~
24 ~~settlement~~ residency status in accordance with this section,
25 additional evidence becomes available that merits a change
26 in that determination, the parties affected may change the
27 determination by mutual agreement. Otherwise, a party may move
28 that the matter be reconsidered.

29 4. Unless a petition is filed for judicial review, the
30 administrative law judge's determination of the person's
31 ~~legal-settlement~~ residency status shall result in one of the
32 following:

33 a. If a county is determined to be the person's county of
34 ~~legal-settlement~~ residence, the county shall pay the amounts
35 due and shall reimburse any other amounts paid for services

1 provided under chapter 222, 230, or 249A by the county or the
 2 department on the person's behalf prior to issuance of the
 3 decision. The payment or reimbursement shall be remitted
 4 within forty-five days of the date the decision was issued.
 5 After the forty-five-day period, a penalty may be applied as
 6 authorized under section 222.68, 222.75, or 230.22.

7 **b.** If it is determined that the person has no ~~legal~~
 8 ~~settlement~~ residency in the state or the ~~legal-settlement~~
 9 person's residency is unknown so that the person is deemed to
 10 be a state case, the department shall credit the county for
 11 any payment made on behalf of the person by the county prior
 12 to issuance of the decision. The credit shall be applied by
 13 the department on a county billing no later than the end of
 14 the quarter immediately following the date of the decision's
 15 issuance.

16 5. This section is repealed July 1, 2013.

17 Sec. 81. Section 225C.16, subsection 2, Code 2011, is
 18 amended to read as follows:

19 2. The clerk of the district court in that county shall
 20 refer a person applying for authorization for voluntary
 21 admission, or for authorization for voluntary admission of
 22 another person, in accordance with section 229.42, to the
 23 appropriate entity designated through the central point of
 24 coordination process of the person's county of residence under
 25 section 225C.14 for the preliminary diagnostic evaluation
 26 unless the applicant furnishes a written statement from the
 27 appropriate entity which indicates that the evaluation has been
 28 performed and that the person's admission to a state mental
 29 health institute is appropriate. This subsection does not
 30 apply when authorization for voluntary admission is sought
 31 under circumstances which, in the opinion of the chief medical
 32 officer or that officer's physician designee, constitute a
 33 medical emergency.

34 Sec. 82. Section 225C.23, subsection 2, Code 2011, is
 35 amended to read as follows:

1 2. For the purposes of this section and ~~section 135.22A,~~
2 ~~"brain injury"~~ means the ~~occurrence of injury to the head not~~
3 ~~primarily related to a degenerative disease or aging process~~
4 ~~that is documented in a medical record with one or more of the~~
5 ~~following conditions attributed to the head injury:~~

6 ~~a. An observed or self-reported decreased level of~~
7 ~~consciousness.~~

8 ~~b. Amnesia.~~

9 ~~c. A skull fracture.~~

10 ~~d. An objective neurological or neuropsychological~~
11 ~~abnormality.~~

12 ~~e. A diagnosed intracranial lesion same as defined in~~
13 ~~section 135.22.~~

14 Sec. 83. Section 226.9C, subsection 1, unnumbered paragraph
15 1, Code Supplement 2011, is amended to read as follows:

16 The state mental health institute at Mount Pleasant shall
17 operate the dual diagnosis mental health and ~~substance~~
18 ~~abuse~~ substance-related disorder treatment program on a net
19 budgeting basis in which fifty percent of the actual per diem
20 and ancillary services costs are chargeable to the patient's
21 county of ~~legal settlement~~ residence or as a state case, as
22 appropriate. Subject to the approval of the department,
23 revenues attributable to the dual diagnosis program for each
24 fiscal year shall be deposited in the mental health institute's
25 account and are appropriated to the department for the dual
26 diagnosis program, including but not limited to all of the
27 following revenues:

28 Sec. 84. Section 226.45, Code 2011, is amended to read as
29 follows:

30 **226.45 Reimbursement to county or state.**

31 If a patient is not receiving medical assistance under
32 chapter 249A and the amount to the account of any patient
33 in the patients' personal deposit fund exceeds two hundred
34 dollars, the business manager of the hospital may apply any
35 of the excess to reimburse the county of ~~legal settlement~~

1 residence or the state ~~in a case where no legal settlement~~
2 ~~exists~~ for a state case for liability incurred by the county
3 or the state for the payment of care, support and maintenance
4 of the patient, when billed by the county of ~~legal settlement~~
5 residence or by the administrator for a ~~patient having no legal~~
6 ~~settlement~~ state case.

7 Sec. 85. Section 229.9A, Code 2011, is amended to read as
8 follows:

9 **229.9A Advocate informed.**

10 The court shall direct the clerk to furnish the advocate
11 of the respondent's county of ~~legal settlement~~ residence
12 with a copy of application and any order issued pursuant to
13 section 229.8, subsection 3. The advocate may attend the
14 hospitalization hearing of any respondent for whom the advocate
15 has received notice of a hospitalization hearing.

16 Sec. 86. Section 229.12, subsection 2, Code 2011, is amended
17 to read as follows:

18 2. All persons not necessary for the conduct of the
19 proceeding shall be excluded, except that the court may admit
20 persons having a legitimate interest in the proceeding and
21 shall permit the advocate from the respondent's county of ~~legal~~
22 ~~settlement~~ residence to attend the hearing. Upon motion of the
23 county attorney, the judge may exclude the respondent from the
24 hearing during the testimony of any particular witness if the
25 judge determines that witness's testimony is likely to cause
26 the respondent severe emotional trauma.

27 Sec. 87. Section 229.19, subsection 1, paragraph b, Code
28 2011, is amended to read as follows:

29 b. The court or, if the advocate is appointed by the county
30 board of supervisors, the board shall assign the advocate
31 appointed from a patient's county of ~~legal settlement~~ residence
32 to represent the interests of the patient. If a patient has no
33 county of ~~legal settlement~~ residence or the patient is a state
34 case, the court or, if the advocate is appointed by the county
35 board of supervisors, the board shall assign the advocate

1 appointed from the county where the hospital or facility is
2 located to represent the interests of the patient.

3 Sec. 88. Section 229.24, subsection 3, unnumbered paragraph
4 1, Code 2011, is amended to read as follows:

5 If all or part of the costs associated with hospitalization
6 of an individual under this chapter are chargeable to a county
7 of ~~legal settlement~~ residence, the clerk of the district
8 court shall provide to the ~~county of legal settlement~~ county
9 of residence and to the county in which the hospitalization
10 order is entered the following information pertaining to the
11 individual which would be confidential under subsection 1:

12 Sec. 89. Section 229.31, Code 2011, is amended to read as
13 follows:

14 **229.31 Commission of inquiry.**

15 A sworn complaint, alleging that a named person is not
16 seriously mentally impaired and is unjustly deprived of liberty
17 in any hospital in the state, may be filed by any person with
18 the clerk of the district court of the county in which such
19 named person is so confined, or of the county in which such
20 named person ~~has a legal settlement, and thereupon a~~ is a
21 resident. Upon receiving the complaint, a judge of said that
22 court shall appoint a commission of not more than three persons
23 to inquire into the truth of ~~said~~ the allegations. One of
24 ~~said the~~ commissioners shall be a physician and if additional
25 commissioners are appointed, one of ~~such~~ the additional
26 commissioners shall be a lawyer.

27 Sec. 90. Section 229.42, Code 2011, is amended to read as
28 follows:

29 **229.42 Costs paid by county.**

30 1. If a person wishing to make application for voluntary
31 admission to a mental hospital established by chapter 226 is
32 unable to pay the costs of hospitalization or those responsible
33 for the person are unable to pay the costs, application for
34 authorization of voluntary admission must be made through a
35 central point of coordination process before application for

1 admission is made to the hospital. The person's county of
2 ~~legal settlement~~ residence shall be determined through the
3 central point of coordination process and if the admission is
4 approved through the central point of coordination process,
5 the person's admission to a mental health hospital shall be
6 authorized as a voluntary case. The authorization shall be
7 issued on forms provided by the administrator. The costs
8 of the hospitalization shall be paid by the county of ~~legal~~
9 ~~settlement~~ residence to the department of human services and
10 credited to the general fund of the state, provided that the
11 mental health hospital rendering the services has certified to
12 the county auditor of the county of ~~legal settlement~~ residence
13 the amount chargeable to the county and has sent a duplicate
14 statement of the charges to the department of human services.
15 A county shall not be billed for the cost of a patient unless
16 the patient's admission is authorized through the central point
17 of coordination process. The mental health institute and the
18 county shall work together to locate appropriate alternative
19 placements and services, and to educate patients and family
20 members of patients regarding such alternatives.

21 2. All the provisions of chapter 230 shall apply to such
22 voluntary patients so far as is applicable.

23 3. The provisions of this section and of section 229.41
24 shall apply to all voluntary inpatients or outpatients
25 receiving mental health services either away from or at the
26 institution.

27 4. If a county fails to pay the billed charges within
28 forty-five days from the date the county auditor received the
29 certification statement from the superintendent, the department
30 of human services shall charge the delinquent county the
31 penalty of one percent per month on and after forty-five days
32 from the date the county received the certification statement
33 until paid. The penalties received shall be credited to the
34 general fund of the state.

35 Sec. 91. Section 229.43, Code 2011, is amended to read as

1 follows:

2 **229.43 ~~Nonresidents or no-settlement~~ Nonresident patients.**

3 The administrator may place patients of mental health
4 institutes ~~who have no county of legal settlement,~~ who
5 are nonresidents, ~~or whose legal settlement is unknown~~ on
6 convalescent leave to a private sponsor or in a health care
7 facility licensed under chapter 135C, when in the opinion
8 of the administrator the placement is in the best interests
9 of the patient and the state of Iowa. If the patient was
10 involuntarily hospitalized, the district court which ordered
11 hospitalization of the patient must be informed when the
12 patient is placed on convalescent leave, as required by section
13 229.15, subsection 5.

14 Sec. 92. Section 230.1, Code 2011, is amended to read as
15 follows:

16 **230.1 Liability of county and state.**

17 1. The necessary and legal costs and expenses attending
18 the taking into custody, care, investigation, admission,
19 commitment, and support of a person with mental illness
20 admitted or committed to a state hospital shall be paid by a
21 county or by the state as follows:

22 a. ~~By the county in which such person has a legal~~
23 ~~settlement, if~~ If the person is eighteen years of age or older,
24 by the person's county of residence.

25 b. By the state ~~when~~ as a state case if such person has no
26 ~~legal settlement~~ residence in this state, ~~when~~ if the person's
27 ~~legal settlement~~ residence is unknown, or if the person is
28 under eighteen years of age.

29 2. ~~The legal settlement~~ county of residence of any person
30 ~~found mentally ill~~ with mental illness who is a patient of
31 any state institution shall be ~~that~~ the person's county of
32 residence existing at the time of admission ~~thereto~~ to the
33 institution.

34 3. A county of ~~legal settlement~~ residence is not liable
35 for costs and expenses associated with a person with mental

1 illness unless the costs and expenses are for services and
2 other support authorized for the person through the central
3 point of coordination process. For the purposes of this
4 chapter, "*central point of coordination process*" means the same
5 as defined in section 331.440.

6 Sec. 93. Section 230.2, Code 2011, is amended to read as
7 follows:

8 **230.2 Finding of ~~legal settlement~~ residence.**

9 If a person's ~~legal settlement~~ residency status is
10 disputed, ~~legal settlement~~ the residency shall be determined
11 in accordance with section 225C.8. Otherwise, the district
12 court may, when the person is ordered placed in a hospital
13 for psychiatric examination and appropriate treatment, or as
14 soon thereafter as the court obtains the proper information,
15 determine and enter of record whether the ~~legal settlement~~
16 residence of the person is ~~one of the following in a county or~~
17 the person is deemed to be a state case, as follows:

18 1. In the county from which the person was placed in the
19 hospital;.

20 2. In ~~some other~~ another county of the state;.

21 3. In ~~some~~ a foreign state or country; ~~or~~ and deemed to be
22 a state case.

23 4. Unknown and deemed to be a state case.

24 Sec. 94. Section 230.3, Code 2011, is amended to read as
25 follows:

26 **230.3 Certification of ~~settlement~~ residence.**

27 If a person's ~~legal settlement~~ county of residence
28 is determined ~~through~~ by the county's central point of
29 coordination process to be in another county of this state, the
30 county making the determination shall certify the determination
31 to the superintendent of the hospital to which the person is
32 admitted or committed. The certification shall be accompanied
33 by a copy of the evidence supporting the determination. Upon
34 receiving the certification, the superintendent shall charge
35 the expenses already incurred and unadjusted, and all future

1 expenses of the person, to the county determined to be the
2 county of ~~legal-settlement~~ residence.

3 Sec. 95. Section 230.4, Code 2011, is amended to read as
4 follows:

5 **230.4 Certification to debtor county.**

6 A determination of a person's ~~legal-settlement~~ county of
7 residence made in accordance with section 230.2 or 230.3 shall
8 be sent by the court or the county to the county auditor of
9 the county of ~~legal-settlement~~ residence. The certification
10 shall be accompanied by a copy of the evidence supporting the
11 determination. The auditor shall provide the certification
12 to the board of supervisors of the auditor's county, and it
13 shall be conclusively presumed that the person has a ~~legal~~
14 ~~settlement~~ residence in the notified county unless that county
15 disputes the finding of ~~legal-settlement~~ residence as provided
16 in section 225C.8.

17 Sec. 96. Section 230.5, Code 2011, is amended to read as
18 follows:

19 **230.5 Nonresidents.**

20 If a person's ~~legal-settlement~~ residence is determined in
21 accordance with section 230.2 or 230.3 to be in a foreign
22 state or country, or is unknown, the court or the county shall
23 immediately certify the determination to the department's
24 administrator. The certification shall be accompanied by a
25 copy of the evidence supporting the determination. A court
26 order issued pursuant to section 229.13 shall direct that the
27 patient be hospitalized at the appropriate state hospital for
28 persons with mental illness.

29 Sec. 97. Section 230.8, Code 2011, is amended to read as
30 follows:

31 **230.8 Transfers of persons with mental illness — expenses.**

32 The transfer to any state hospitals or to the places of their
33 ~~legal-settlement~~ residence of persons with mental illness who
34 have no ~~legal-settlement~~ residence in this state or whose ~~legal~~
35 ~~settlement~~ residence is unknown and deemed to be a state case,

1 shall be made according to the directions of the administrator,
 2 and when practicable by employees of the state hospitals,~~and~~
 3 ~~the~~. The actual and necessary expenses of such transfers shall
 4 be paid on itemized vouchers sworn to by the claimants and
 5 approved by the administrator, and the amount of the expenses
 6 is appropriated to the department from any funds in the state
 7 treasury not otherwise appropriated.

8 Sec. 98. Section 230.9, Code 2011, is amended to read as
 9 follows:

10 **230.9 Subsequent discovery of residence.**

11 If, after a person has been received by a state hospital for
 12 persons with mental illness as a state case patient whose legal
 13 ~~settlement~~ residence is supposed to be outside this state or
 14 ~~unknown~~, the administrator determines that the ~~legal settlement~~
 15 residence of the person was, at the time of admission or
 16 commitment, in a county of this state, the administrator shall
 17 certify the determination and charge all legal costs and
 18 expenses pertaining to the admission or commitment and support
 19 of the person to the county of ~~legal settlement~~ residence. The
 20 certification shall be sent to the county of ~~legal settlement~~
 21 residence. The certification shall be accompanied by a copy
 22 of the evidence supporting the determination. The costs and
 23 expenses shall be collected as provided by law in other cases.
 24 If the person's ~~legal settlement~~ residency status has been
 25 determined in accordance with section 225C.8, the legal costs
 26 and expenses shall be charged to the county of residence or as
 27 a state case in accordance with that determination.

28 Sec. 99. Section 230.10, Code 2011, is amended to read as
 29 follows:

30 **230.10 Payment of costs.**

31 All legal costs and expenses attending the taking into
 32 custody, care, investigation, and admission or commitment of
 33 a person to a state hospital for persons with mental illness
 34 under a finding that ~~such~~ the person has a ~~legal settlement~~
 35 residency in another county of this state shall be charged

1 against the county of ~~legal settlement~~ residence.

2 Sec. 100. Section 230.11, Code 2011, is amended to read as
3 follows:

4 **230.11 Recovery of costs from state.**

5 Costs and expenses attending the taking into custody,
6 care, and investigation of a person who has been admitted
7 or committed to a state hospital, United States department
8 of veterans affairs hospital, or other agency of the United
9 States government, for persons with mental illness and who has
10 no ~~legal settlement~~ residence in this state or whose ~~legal~~
11 ~~settlement~~ residence is unknown, including cost of commitment,
12 if any, shall be paid ~~out of~~ as a state case as approved by the
13 administrator. The amount of the costs and expenses approved
14 by the administrator is appropriated to the department from
15 any money in the state treasury not otherwise appropriated, on
16 itemized vouchers executed by the auditor of the county which
17 has paid them, and approved by the administrator.

18 Sec. 101. Section 230.12, Code 2011, is amended to read as
19 follows:

20 **230.12 ~~Legal settlement~~ Residency disputes.**

21 If a dispute arises between different counties or between
22 the administrator and a county as to the ~~legal settlement~~
23 residence of a person admitted or committed to a state hospital
24 for persons with mental illness, the dispute shall be resolved
25 as provided in section 225C.8.

26 Sec. 102. Section 230.32, Code 2011, is amended to read as
27 follows:

28 **230.32 Support of nonresident patients on leave.**

29 The cost of support of patients without ~~legal settlement~~
30 residence in this state, who are placed on convalescent
31 leave or removed from a state mental institute to any health
32 care facility licensed under chapter 135C for rehabilitation
33 purposes, shall be paid from the hospital support fund
34 and shall be charged on abstract in the same manner as
35 state inpatients, until such time as the patient becomes

1 self-supporting or qualifies for support under existing
2 statutes.

3 Sec. 103. Section 249A.12, subsection 2, Code 2011, is
4 amended to read as follows:

5 2. A county shall reimburse the department on a monthly
6 basis for that portion of the cost of assistance provided
7 under this section to a recipient ~~with legal settlement in who~~
8 is a resident of the county, which is not paid from federal
9 funds, if the recipient's placement has been approved by the
10 appropriate review organization as medically necessary and
11 appropriate. The department's goal for the maximum time period
12 for submission of a claim to a county is not more than sixty
13 days following the submission of the claim by the provider
14 of the service to the department. The department's goal for
15 completion and crediting of a county for cost settlement for
16 the actual costs of a service under a home and community-based
17 services waiver is within two hundred seventy days of the close
18 of a fiscal year for which cost reports are due from providers.
19 The department shall place all reimbursements from counties
20 in the appropriation for medical assistance, and may use the
21 reimbursed funds in the same manner and for any purpose for
22 which the appropriation for medical assistance may be used.

23 Sec. 104. Section 249A.12, subsection 6, paragraphs c and d,
24 Code 2011, are amended to read as follows:

25 c. The person's county of ~~legal settlement~~ residence shall
26 pay for the nonfederal share of the cost of services provided
27 under the waiver, and the state shall pay for the nonfederal
28 share of such costs if the person ~~has no legal settlement is~~
29 not a resident of this state or the ~~legal settlement~~ person's
30 residency is unknown so that the person is deemed to be a state
31 case.

32 d. The county of ~~legal settlement~~ residence shall pay
33 for one hundred percent of the nonfederal share of the costs
34 of care provided for adults which is reimbursed under a home
35 and community-based services waiver that would otherwise be

1 approved for provision in an intermediate care facility for
2 persons with mental retardation provided under the medical
3 assistance program.

4 Sec. 105. Section 249A.12, subsections 7 and 8, Code 2011,
5 are amended to read as follows:

6 7. When paying the necessary and legal expenses for
7 intermediate care facility for persons with mental retardation
8 services, the cost requirements of section 222.60 shall
9 be considered fulfilled when payment is made in accordance
10 with the medical assistance payment rates established by
11 the department for intermediate care facilities for persons
12 with mental retardation, and the state or a county of ~~legal~~
13 ~~settlement~~ residence shall not be obligated for any amount in
14 excess of the rates.

15 8. If a person with mental retardation has no ~~legal~~
16 ~~settlement~~ residence in this state or ~~the legal settlement~~
17 whose residency is unknown so that the person is deemed
18 to be a state case and services associated with the mental
19 retardation can be covered under a medical assistance home and
20 community-based services waiver or other medical assistance
21 program provision, the nonfederal share of the medical
22 assistance program costs for such coverage shall be paid from
23 the appropriation made for the medical assistance program.

24 Sec. 106. Section 249A.26, subsection 2, Code 2011, is
25 amended to read as follows:

26 2. a. Except as provided for disallowed costs in section
27 249A.27, the county of ~~legal settlement~~ residence shall pay for
28 fifty percent of the nonfederal share of the cost and the state
29 shall have responsibility for the remaining fifty percent of
30 the nonfederal share of the cost of case management provided
31 to adults, day treatment, and partial hospitalization provided
32 under the medical assistance program for persons with mental
33 retardation, a developmental disability, or chronic mental
34 illness. For purposes of this section, persons with mental
35 disorders resulting from Alzheimer's disease or ~~substance~~

1 ~~abuse~~ a substance-related disorder shall not be considered
 2 ~~chronically mentally ill~~ to be persons with chronic mental
 3 illness. To the maximum extent allowed under federal law and
 4 regulations, the department shall consult with and inform a
 5 person's county of legal-settlement's residence's central
 6 point of coordination process, as defined in section 331.440,
 7 regarding the necessity for and the provision of any service
 8 for which the county is required to provide reimbursement under
 9 this subsection.

10 **b.** The state shall pay for one hundred percent of the
 11 nonfederal share of the costs of case management provided for
 12 adults, day treatment, partial hospitalization, and the home
 13 and community-based services waiver services for persons who
 14 have no ~~legal-settlement~~ residence in this state or ~~the legal~~
 15 ~~settlement~~ whose residence is unknown so that the persons are
 16 deemed to be state cases.

17 **c.** The case management services specified in this subsection
 18 shall be paid for by a county only if the services are provided
 19 outside of a managed care contract.

20 Sec. 107. Section 249A.26, subsections 3, 4, and 7, Code
 21 2011, are amended to read as follows:

22 3. To the maximum extent allowed under federal law and
 23 regulations, a person with mental illness or mental retardation
 24 shall not be eligible for any service which is funded in
 25 whole or in part by a county share of the nonfederal portion
 26 of medical assistance funds unless the person is referred
 27 through the central point of coordination process, as defined
 28 in section 331.440. However, to the extent federal law allows
 29 referral of a medical assistance recipient to a service without
 30 approval of the central point of coordination process, the
 31 county of ~~legal-settlement~~ residence shall be billed for the
 32 nonfederal share of costs for any adult person for whom the
 33 county would otherwise be responsible.

34 4. The county of ~~legal-settlement~~ residence shall pay for
 35 one hundred percent of the nonfederal share of the cost of

1 services provided to adult persons with chronic mental illness
 2 who qualify for habilitation services in accordance with the
 3 rules adopted for the services. The state shall pay for one
 4 hundred percent of the nonfederal share of the cost of such
 5 services provided to such persons who have no ~~legal settlement~~
 6 residency in this state or the legal settlement whose residency
 7 is unknown so that the persons are deemed to be state cases.

8 7. Unless a county has paid or is paying for the nonfederal
 9 share of the costs of a person's home and community-based
 10 waiver services or placement in an intermediate care facility
 11 for persons with mental retardation under the county's mental
 12 health, mental retardation, and developmental disabilities
 13 services fund created in section 331.424A, or unless a county
 14 of ~~legal settlement~~ residence would become liable for the costs
 15 of services for a person at the level of care provided in an
 16 intermediate care facility for persons with mental retardation
 17 due to the person reaching the age of majority, the state
 18 shall pay for the nonfederal share of the costs of an eligible
 19 person's services under the home and community-based services
 20 waiver for persons with brain injury.

21 Sec. 108. Section 252.23, Code 2011, is amended to read as
 22 follows:

23 **252.23 Legal settlement disputes.**

24 If the alleged settlement is disputed, then, within thirty
 25 days after notice as provided in section 252.22, a copy of
 26 the notices sent and received shall be filed in the office of
 27 the clerk of the district court of the county against which
 28 claim is made, and a cause docketed without other pleadings,
 29 and tried as an ordinary action, in which the county granting
 30 the assistance shall be plaintiff, and the other defendant,
 31 and the burden of proof shall be upon the county granting the
 32 assistance. However, a ~~legal settlement~~ dispute concerning
 33 the liability of a person's county of residence for assistance
 34 provided through the county's mental health and disability
 35 services system implemented under chapter 331 in connection

1 with services initiated under chapter 222, 230, or 249A shall
2 be resolved as provided in section 225C.8.

3 Sec. 109. Section 252.24, Code 2011, is amended to read as
4 follows:

5 **252.24 County of settlement liable.**

6 1. The county where the settlement is shall be liable to
7 the county granting assistance for all reasonable charges and
8 expenses incurred in the assistance and care of a poor person.

9 2. When assistance is furnished by any governmental agency
10 of the county, township, or city, the assistance shall be
11 deemed to have been furnished by the county in which the
12 agency is located and the agency furnishing the assistance
13 shall certify the correctness of the costs of the assistance
14 to the board of supervisors of that county and that county
15 shall collect from the county of the person's settlement. The
16 amounts collected by the county where the agency is located
17 shall be paid to the agency furnishing the assistance. This
18 statute applies to services and supplies furnished as provided
19 in section 139A.18.

20 3. Notwithstanding subsection 2, if assistance or
21 maintenance is provided by a county through the county's mental
22 health and disability services system implemented under chapter
23 331, liability for the assistance and maintenance is the
24 responsibility of the person's county of residence.

25 Sec. 110. Section 331.424A, subsection 6, Code Supplement
26 2011, is amended by striking the subsection.

27 Sec. 111. Section 331.440, subsection 2, paragraph b, Code
28 Supplement 2011, is amended to read as follows:

29 *b. "County of residence"* means the county in this state in
30 which, at the time an adult person applies for or receives
31 services, the adult person is living and has established an
32 ongoing presence with the declared, good faith intention of
33 living for a permanent or indefinite period of time. The
34 county of residence of an adult person who is a homeless
35 person is the county where the homeless person usually sleeps.

1 A person maintains residency in the county in which the
2 person last resided while the person is present in another
3 county receiving services in a hospital, a correctional
4 facility, a halfway house for community-based corrections
5 or substance-related treatment, a nursing facility, an
6 intermediate care facility for persons with an intellectual
7 disability, or a residential care facility, or for the purpose
8 of attending a college or university.

9 Sec. 112. Section 331.502, subsection 11, Code 2011, is
10 amended to read as follows:

11 11. Carry out duties relating to the determination of ~~legal~~
12 ~~settlement~~ residency, collection of funds due the county, and
13 support of persons with mental retardation as provided in
14 sections 222.13, 222.50, 222.61 to 222.66, 222.69, and 222.74.

15 Sec. 113. Section 347.16, subsection 3, Code 2011, is
16 amended to read as follows:

17 3. Care and treatment may be furnished in a county public
18 hospital to any sick or injured person who has legal settlement
19 outside the county which maintains the hospital, subject to
20 such policies and rules as the board of hospital trustees may
21 adopt. If care and treatment is provided under this subsection
22 to a person who is indigent, the county in which that person
23 has legal settlement shall pay to the board of hospital
24 trustees the fair and reasonable cost of the care and treatment
25 provided by the county public hospital unless the cost of the
26 indigent person's care and treatment is otherwise provided for.
27 If care and treatment is provided to an indigent person under
28 this subsection, the county public hospital furnishing the
29 care and treatment shall immediately notify, by regular mail,
30 the auditor of the county of legal settlement of the indigent
31 person of the provision of care and treatment to the indigent
32 person. However, if the care and treatment is provided by
33 a county through the county's mental health and disability
34 services system implemented under chapter 331, liability for
35 the assistance and maintenance is the responsibility of the

1 person's county of residence.

2 EXPLANATION

3 This bill relates to redesign of publicly funded mental
4 health and disability services by requiring certain core
5 services and addressing other services and providing for
6 establishment of regions. The bill is organized into
7 divisions.

8 CORE SERVICES. This division specifies core services and
9 service management requirements applicable to the regional
10 service system required by the bill and addresses the
11 responsibilities of the department of human services (DHS)
12 relating to core services.

13 Code section 225C.2, providing definitions for Code
14 chapter 225C pertaining to mental health and disability
15 services, is amended to add definitions for the terms "mental
16 health and disability services region", "mental health and
17 disability services regional service system", and "regional
18 administrator".

19 Code section 225C.4, specifying the duties of the
20 administrator of the department's division of mental health and
21 disability services, is amended to change county references
22 to regions, address data and outcomes, and add responsibility
23 for entering into performance-based contracts with regions and
24 providing internet-based information concerning waiting lists
25 implemented by regions.

26 Code section 225C.6, relating to the duties of the mental
27 health and disability services (MH/DS) commission, is
28 amended to provide that certain responsibilities to adopt
29 rules defining "disability services" are performed after
30 recommendations are made by the administrator. In addition, a
31 listing of the basic financial eligibility standards for county
32 MH/DS services in the current commission responsibilities is
33 replaced with a reference to similar standards in the new
34 regional system provisions in Code chapter 331.

35 Code section 225C.6A, addressing a previous MH/DS system

1 redesign, is amended to only apply to data systems.

2 New Code section 225C.7A creates a new mental health and
3 disability regional services fund for distribution of moneys
4 through performance-based contracts with regions.

5 Code section 226.10, requiring equal treatment of the
6 patients in the state mental health institutes, is amended to
7 require the institutes to address the needs of persons with two
8 or more co-occurring conditions.

9 Code section 331.439, relating to current county service
10 system management plans, is amended to require the financial
11 information submitted to the state to segregate expenditures
12 for administration, purchase of service, and enterprise costs.
13 In addition, beginning during FY 2012-2013, the management
14 plans are to begin requiring that a person's need for
15 individualized services is to be determined by a standardized
16 functional assessment methodology approved by the director
17 of human services. Under current law, this Code section is
18 repealed on July 1, 2013.

19 New Code section 331.439A requires MH/DS provided by
20 counties to be delivered in accordance with a regional service
21 system management plan approved by the region's governing board
22 and implemented by the regional administrator. The plans apply
23 to three-year periods with the initial plan to be submitted to
24 DHS by April 1, 2014. The plan is required to include various
25 elements and the commission is directed to specify the elements
26 in administrative rules.

27 New Code section 331.439A also authorizes a region to
28 provide assistance to other disability service populations
29 subject to availability of funding and to implement waiting
30 lists for services as a financial management tool.

31 New Code section 331.439B provides financial eligibility
32 requirements to be used in the regional system. Income
33 eligibility is set at 150 percent of the federal poverty
34 level and requirements for cost sharing are prohibited at
35 this income level. Persons with higher incomes may also be

1 eligible subject to a copayment, sliding fee scale, or other
2 cost-sharing arrangement; however, a service provider may waive
3 copayments or cost-sharing if able to fully absorb the cost. A
4 person who is eligible for federally funded services must apply
5 for the services but if regional services are expected to be
6 needed for less than two years, the person may be exempted.
7 The commission is required to adopt rules for resource
8 limitations eligibility derived from the federal supplemental
9 security income program resource limitations. If a person does
10 not qualify for federally funded support, but meets income,
11 resource, and functional eligibility requirements, retirement
12 accounts in the accumulation stage and burial, medical savings,
13 or assistive technology accounts are to be disregarded.

14 New Code section 331.439C specifies requirements for
15 diagnoses, functional assessments, and other requirements for
16 eligibility in the regional system. Other requirements include
17 an age of at least 18 years and compliance with financial
18 eligibility provisions and determination of eligibility for
19 individualized services to be made by the functional assessment
20 provisions specified in the bill's amendment to Code section
21 331.439. A person who is age 17 and receiving publicly
22 funded services may begin eligibility for services through the
23 regional system during the three-month period preceding the
24 person's 18th birthday. For mental health services, a person
25 must have had a diagnosable mental health, behavioral, or
26 emotional disorder during the preceding 12-month period. For
27 intellectual disability services, an intellectual disability
28 (ID) diagnosis is required. For brain injury services, a
29 diagnosis of brain injury (BI) is required.

30 New Code section 331.439D addresses core service domains to
31 be provided in the regional system, subject to the availability
32 of funding. The domains are defined to mean a set of similar,
33 discrete services that can be provided depending upon an
34 individual's service needs. The services included in the
35 core services domains are to be adopted in rule by the MH/DS

1 commission pursuant to recommendations by the DHS director.
2 An initial set of core service domains applies to MH and ID
3 services not covered under the Medicaid program and legislative
4 intent is stated to address funding in order to include persons
5 in need of BI or developmental disability (DD) services. The
6 region is required to ensure services providers have the
7 competencies to serve persons with co-occurring conditions,
8 provide evidence-based services, and provide trauma-informed
9 care. A set of additional core services is listed when public
10 funds are made available for the services. A region may also
11 provide funding for other services or support not listed based
12 on optional criteria that may be considered.

13 New Code section 331.440B addresses regional service system
14 financing. The financing of each regional service system is
15 limited to a fixed budget amount. The region is required
16 to implement the region's service system management plan by
17 budgeting for 99 percent of the funding anticipated to be
18 available for the plan for a fiscal year. The MH/DS commission
19 is required to annually by July 15 submit to DHS, council
20 on human services, and the governor a recommendation for a
21 non-Medicaid expenditures growth funding amount for the fiscal
22 year which commences two years from the start date of the
23 fiscal year in progress at the time the recommendation is made.

24 The division may include a state mandate as defined in Code
25 section 25B.3. The bill makes inapplicable Code section 25B.2,
26 subsection 3, which would relieve a political subdivision from
27 complying with a state mandate if funding for the cost of
28 the state mandate is not provided or specified. Therefore,
29 political subdivisions are required to comply with any state
30 mandate included in the bill.

31 The Code editor is authorized to codify the division and
32 other provisions involving Code chapter 331 as a new part of
33 Code chapter 331, division III.

34 The new Code provisions of the Code chapter are applicable
35 beginning July 1, 2013.

1 WORKFORCE DEVELOPMENT AND REGULATION. This division relates
2 to workforce development and regulation applicable to the
3 administration and service providers for the regional service
4 system.

5 New Code section 225C.6C establishes a mental health and
6 disability services workforce development workgroup to be
7 convened and staffed by DHS to address issues connected with
8 assuring there is an adequate workforce to provide MH/DS in
9 the state. Various stakeholders and legislator members are
10 specified.

11 New Code section 225C.6D requires DHS to establish an
12 outcomes and performance measures committee for the regional
13 service system. Various stakeholders are specified for the
14 committee membership.

15 New Code section 225C.6E requires the departments of
16 human services, inspections and appeals, and public health
17 to comply with various provisions in efforts to improve the
18 regulatory requirements applied to the regional service system
19 administration and service providers.

20 COMMUNITY MENTAL HEALTH CENTER AMENDMENTS. This division
21 amends Acts provisions relating to community mental health
22 centers that were enacted in 2011 Iowa Acts, chapter 121 (SF
23 525) that have a delayed effective date of July 1, 2012.

24 Provisionally numbered Code section 230A.110, relating to
25 the standards adopted for centers by the MH/DS commission, is
26 amended to allow the standards to be in substantial conformity
27 with either applicable behavioral health standards adopted by
28 the joint commission or other recognized national standards
29 for evaluation of psychiatric facilities rather than requiring
30 conformity with both sets of standards.

31 REGIONAL SERVICE SYSTEM. This division provides the
32 requirements for counties to form mental health and disability
33 services (MH/DS) regions.

34 The Code section 97B.1A definition of the term "employer"
35 used for the Iowa public employees' retirement system (IPERS)

1 is amended to include the regional administrator entities
2 created pursuant to the bill.

3 New Code section 331.438A defines terms utilized, including
4 "department" for the department of human services, "disability
5 services" as defined in Code section 225C.2 (services and other
6 support available to a person with mental illness, intellectual
7 disability or other developmental disability, or brain injury),
8 "population" to mean the latest federal census or the latest
9 applicable population estimate issued by the U.S. census
10 bureau, "regional administrator" as provided by the bill, and
11 "state commission" as the MH/DS commission.

12 New Code section 331.438B requires counties to form regions
13 to provide local access to MH/DS for adults. Minimum criteria
14 for formation of a group of counties are included along with a
15 schedule for voluntary formation until the period of November
16 2, 2012, through January 1, 2013, during which the department
17 is required to assign unaffiliated counties to a region.
18 The director of human services, with approval of the MH/DS
19 commission, is authorized to waive the population range and
20 minimum number of counties criteria.

21 New Code section 331.438C requires the counties comprising
22 a region to enter into a Code chapter 28E agreement for the
23 joint exercise of governmental powers to form a regional
24 administrator entity to function on behalf of the counties.
25 The regional administrator is required to enter into
26 performance-based contracts with the department to manage for
27 the counties the MH/DS not funded by the medical assistance
28 (Medicaid) program and for coordinating with the department
29 such services that are funded by the Medicaid program. The
30 regional administrator is under the control of a governing
31 board. An elected county supervisor or designee of each of
32 the participating counties make up the voting membership of
33 the governing board. Any of the voting members may call
34 for a weighted voting on certain decisions. The weighted
35 vote is based upon the relative population of the respective

1 counties and requires a three-fourths majority for approval.
2 In addition, not more than three individuals who utilize MH/DS
3 or actively involved relatives of such individuals and not more
4 than three service providers are specified for ex officio,
5 nonvoting slots. A regional advisory committee for each board
6 is required to include individuals who utilize services or
7 actively involved relatives, service providers, governing board
8 members, and others.

9 New Code section 331.438D addresses regional finances.
10 The funding administered under the authority of a governing
11 board is required to be in a combined account, separate
12 county accounts that are administered under the authority of
13 the governing board, or pursuant to other arrangement. The
14 administrative costs of the regional administrator is limited
15 to the same percentage of expenditures allowed for the entity
16 under contract with DHS to provide mental health managed
17 care for the Medicaid program. The funding received from
18 performance-based contracts with the department is required
19 to be credited to the account or accounts administered by the
20 regional administrator.

21 New Code section 331.438E requires the counties comprising
22 a MH/DS region to enter into a Code chapter 28E agreement.
23 The agreement is required to address various specific
24 organizational provisions, administrative provisions, and
25 financial provisions.

26 If the county is part of a region that has agreed to pool
27 funding and liability for services, the regional administrator
28 performs the county's responsibilities on behalf of the county.
29 If implementation of a region's regional administrator entity
30 results in a change in the employer of the county employees
31 assigned to the county central point of coordination entity
32 administering services under current law and the employees were
33 covered under a collective bargaining agreement, the employees
34 are to be retained and the agreement continued.

35 New Code section 331.438F defines terms relating to

1 residency, requires appeals of service authorizations and
2 other services-related determinations to be heard in a
3 contested case proceeding by an administrative law judge, and
4 also provides for resolution of residency-related disputes
5 by an administrative law judge. The administrative law
6 judge's decision is considered a final agency action so that
7 further appeals go to the district court rather than a state
8 department.

9 The provisions of this division enacting new Code sections
10 in Code chapter 331, except as specifically provided by the
11 provisions, are applicable beginning July 1, 2013.

12 SUBACUTE CARE FACILITIES FOR PERSONS WITH SERIOUS AND
13 PERSISTENT MENTAL ILLNESS. This division creates a new health
14 care facility licensure chapter numbered Code chapter 135P to
15 be regulated by the department of inspections and appeals.
16 The new type of facility is called a "subacute care facility
17 for persons with serious and persistent mental illness"
18 and provides physical facilities with restricted egress to
19 provide accommodation, board, and the services of a licensed
20 psychiatrist for periods exceeding 24 consecutive hours to
21 three or more individuals with serious and persistent mental
22 illness and who may have a diagnosis of another disorder. The
23 facility cannot be used by individuals related to the owner
24 within the third degree of consanguinity.

25 New Code sections 135P.1 and 135P.2 define the terms
26 utilized and state the purpose of the new Code chapter.

27 New Code section 135P.3 describes the nature of care
28 to be utilized and the duties of the facility's licensed
29 psychiatrist, authorizes the use of a seclusion room that meets
30 the conditions specified under federal regulations for the use
31 of seclusion in psychiatric residential treatment facilities
32 providing inpatient psychiatric services for individuals under
33 age 21, and specifies requirements for admission. Various
34 services may be performed by or delegated to a physician
35 assistant or advanced registered nurse practitioner.

1 New Code section 135P.4 prohibits establishing, operating,
2 or maintaining a subacute care facility without a license and
3 allows a licensed intermediate care facility for persons with
4 mental illness to convert to a licensed subacute care facility.

5 New Code section 135P.5 requires an application for a
6 license and sets the annual licensure fee at \$25.

7 New Code section 135P.6 requires the department of
8 inspections and appeals to ascertain the adequacy of the
9 facility before issuing a license and requires the applicant
10 to have been awarded a certificate of need for the facility
11 through the department of public health under Code chapter 135.

12 New Code section 135P.7 authorizes the department to deny
13 an application or suspend or revoke a license for failure or
14 inability to comply with requirements under the Code chapter
15 and provides a list of specific infractions.

16 New Code section 135P.8 authorizes the department to issue a
17 provisional license and addresses compliance plans.

18 New Code section 135P.9 requires the notice and hearing
19 process for licensure issues to be performed in compliance with
20 the Iowa administrative procedure Act, Code chapter 17A.

21 New Code section 135P.10 requires the department of
22 inspections and appeals to adopt rules for the facilities in
23 consultation with the department of human services and for the
24 department to coordinate its rules adoption and enforcement
25 efforts.

26 New Code section 135P.11 addresses complaints alleging
27 violations. Any person may file a complaint and the person's
28 name is required to be kept confidential. The department is
29 required to make a preliminary review of the complaint and
30 under most circumstances an on-site inspection is required
31 within 20 working days. The complainant may accompany the
32 inspector upon request of the complainant or the department.

33 New Code section 135P.12 requires the department's
34 findings regarding licensure to be made public but other
35 information relating to a facility is to be kept confidential.

1 Disclosure of information regarding residents is prohibited
2 except as provided in Code section 217.30, relating to the
3 confidentiality of records pertaining to individuals receiving
4 services or assistance from the department of human services.

5 New Code section 135P.13 provides for judicial review of
6 departmental action in accordance with Code chapter 17A and for
7 a petition for the review to be filed in the court of the county
8 in which the subacute care facility is located or proposed to
9 be located.

10 New Code section 135P.14 provides that establishing,
11 operating, or managing a subacute care facility without a
12 license is a serious misdemeanor offense.

13 New Code section 135P.15 authorizes the department to
14 maintain an action for an injunction to prevent establishing,
15 operating, or managing a subacute care facility without a
16 license.

17 Code section 225.15 is amended to allow state psychiatric
18 hospital physicians to delegate the performance of certain
19 services to physician assistants and advanced registered nurse
20 practitioners.

21 Code section 249A.26, relating to state and county
22 participation in funding for services to persons with
23 disabilities in the medical assistance (Medicaid) program
24 chapter, is amended to provide that the daily reimbursement
25 rate for subacute care facilities is the sum of the
26 direct care Medicare-certified hospital-based nursing
27 facility patient-day-weighted median and the nondirect
28 care Medicare-certified hospital-based nursing facility
29 patient-day-weighted median.

30 In addition, DHS is required to conduct a feasibility
31 study and cost analysis of providing institutional subacute
32 services using available facilities at the state mental health
33 institutes or the Iowa veterans home.

34 The division may include a state mandate as defined in
35 Code section 25B.3. The division makes inapplicable Code

1 section 25B.2, subsection 3, which would relieve a political
 2 subdivision from complying with a state mandate if funding for
 3 the cost of the state mandate is not provided or specified.
 4 Therefore, political subdivisions are required to comply with
 5 any state mandate included in the division.

6 BRAIN INJURY DEFINITION — CONFORMING AMENDMENTS — LEGAL
 7 SETTLEMENT AND DISPUTE RESOLUTION PROCESSES. This division
 8 provides conforming amendments to change references to county
 9 of legal settlement to county of residence, effective on July
 10 1, 2012, amends brain injury definitions, and strikes the
 11 future repeal on July 1, 2013, of the county mental health,
 12 mental retardation, and developmental disabilities services
 13 funds and property tax levies under Code section 331.424A.

14 Code definitions for the term "brain injury" are revised
 15 in Code sections 135.22 and 225C.23 to be similar to the
 16 definition used for the Medicaid home and community-based
 17 services waiver for brain injury. The Code section 135.22
 18 definition applies to provisions administered by the department
 19 of public health, including the central registry for persons
 20 with brain or spinal cord injuries, the advisory council on
 21 brain injuries, the department's responsibilities as the
 22 state's lead agency for brain injury, and resource facilitation
 23 for persons with brain injury and other services under the
 24 brain injury services program.

25 The Code section 225C.23 definition applies to recognition
 26 of brain injury as a distinct disability. The Code chapter
 27 includes a number of references to the term brain injury but
 28 this provision provides the only definition of the term.

29 Code chapter 252 provisions regarding determinations of
 30 county of legal settlement (Code sections 252.23, and 252.24)
 31 are amended to provide that in provisions involving the MH/DS
 32 administered through the counties, the county of residence is
 33 responsible and any disputes are to be settled in accordance
 34 with Code section 225C.8, which is also amended accordingly.

35 References to "county of legal settlement" are amended to

1 be "county of residence" or the state in the following Code
2 sections: section 218.99, requiring counties to be notified
3 of patient personal accounts in DHS state institutions;
4 section 222.10, relating to the duty of a peace officer to
5 detain a person with mental retardation who departs from an
6 institution in another state without proper authority; section
7 222.13, relating to voluntary admissions to a state resource
8 center; section 222.31, relating to liability for charges at
9 a state resource center; section 222.49, relating to payment
10 for costs of proceedings; section 222.50, requiring the
11 county of legal settlement to pay charges; section 222.60,
12 relating to the costs paid by county and state and requiring
13 a diagnosis; section 222.61, relating to determination of
14 legal settlement; section 222.62, relating to legal settlement
15 in another county; section 222.63, relating to an objection
16 to a finding of legal settlement; section 222.64, providing
17 for state financial responsibility when a person is in a
18 foreign state or is unknown; section 222.65, requiring the
19 state administrator to investigate a person's residency when
20 placed in a state resource center; section 222.66, providing
21 a standing appropriation for the transfer expenses of state
22 cases to a state resource center; section 222.67, relating to
23 charges when legal settlement was initially unknown; section
24 222.68, requiring the county of legal settlement to reimburse
25 the county that initially paid the charges; section 222.69,
26 providing a standing appropriation for the admission or
27 commitment expenses of state cases; section 222.70, requiring
28 a dispute resolution process to be used for legal settlement
29 disputes; section 222.77, providing for the county of legal
30 settlement to pay the costs of support of patients placed on
31 leave from a state resources center; section 222.78, relating
32 to parents and other persons liable for the support of a
33 patient in a state resource center; section 222.79, relating
34 to the certification of statements of charges for purposes of
35 Code section 222.78; section 222.80, providing for liability

1 for the costs of persons admitted or committed to a private
 2 facility; section 222.82, relating to collection of claims
 3 under Code section 222.78 or other provisions of Code chapter
 4 222; section 222.86, relating to payment of excess amounts from
 5 resource center patient personal deposit funds to the county
 6 of legal settlement; section 222.92, relating to operation
 7 of the state resource center on the basis of a net general
 8 fund appropriation; section 225C.16, relating to referrals of
 9 persons applying for voluntary admission to a state mental
 10 health institute for diagnostic evaluations; section 226.9C,
 11 relating to the net general fund appropriations provisions
 12 for the dual diagnosis program at the Mount Pleasant state
 13 mental health institute; section 226.45, relating to payment
 14 of excess amounts from state mental health institute patient
 15 personal deposit funds to the county of legal settlement;
 16 section 229.9A, relating to the mental health advocate of the
 17 county of legal settlement; section 229.12, relating to the
 18 presence of the mental health advocate at civil commitment
 19 hearings; section 229.19, relating to the duties of the patient
 20 advocate; section 229.24, relating to the provision of civil
 21 commitment court records to the county of legal settlement;
 22 section 229.31, relating to a commission of inquiry; section
 23 229.42, relating to hospitalization costs paid on voluntary
 24 cases by the county of legal settlement; section 229.43,
 25 relating to nonresidents on convalescent leave; section 230.1,
 26 relating to the liability of counties and the state for costs
 27 associated with admission of a person with mental illness to
 28 a state hospital; section 230.2, relating to finding of legal
 29 settlement for persons with mental illness; section 230.3,
 30 providing for certification of legal settlement of a person
 31 with mental illness admitted to a hospital; section 230.4,
 32 providing for evidence to accompany the certification of legal
 33 settlement for a person with mental illness; section 230.5,
 34 relating to legal settlement of nonresidents; section 230.8,
 35 relating to transfer expenses of persons with mental illness

1 with no legal settlement; section 230.9, relating to charges
 2 when legal settlement was initially unknown; section 230.10,
 3 requiring all costs attending the taking into custody, care,
 4 investigation, and admission or commitment of a person to a
 5 state hospital for persons with mental illness to be paid by
 6 the county of legal settlement; section 230.11, relating to
 7 recovery of costs from the state for state cases; section
 8 230.12, relating to settlement of legal settlement disputes
 9 for support of persons with mental illness; section 230.32,
 10 relating to support of persons who are nonresidents of this
 11 state; section 249A.12, relating to assistance to persons with
 12 mental retardation paid under the Medicaid program; section
 13 249A.26, addressing state and county participation in funding
 14 for services to persons with disabilities, including case
 15 management; section 331.502, relating to the duties of the
 16 county auditor; and section 347.16, relating to the cost of
 17 care provided in county hospitals.

18 Miscellaneous provisions are also amended. Code section
 19 225.23, requiring counties to collect claims paid by the
 20 state on behalf of committed or voluntary private patients
 21 at the state psychiatric hospital, is amended to shift this
 22 responsibility to the department of administrative services.
 23 Code section 225C.8, relating to legal settlement dispute
 24 resolution, is amended to instead refer to residency dispute
 25 resolution. This provision is repealed on July 1, 2013,
 26 when it is replaced by the bill's new Code section 331.438F.
 27 The county of residence definition in Code section 331.440,
 28 relating to the county MH/MR/DD central point of coordination
 29 process and state case services, is amended to match the
 30 corresponding definition in new Code section 331.439F. Under
 31 the terms of current law, Code section 331.440 is repealed on
 32 July 1, 2013.